FINANCIAL TIMES

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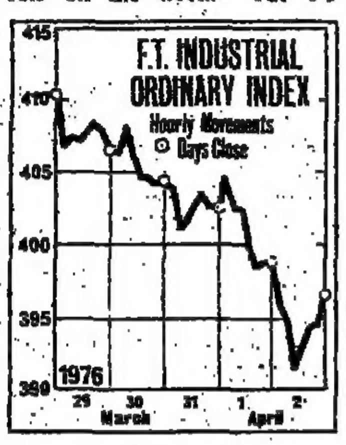
S SUMMARY

BUSINESS

Equities lose 13.9 on week

● EQUITIES were weak, with falls outnumbering rises by five to one. The FT 30-share index lost 2.3 to 396.5 for a fall of 13.9 on the week. The FT-Actuaries All-Share Index was 0.9 per cent. down at 163.62. The Gold mines index dropped another 8.0 to 142.4.



● GILTS were again depressed by sterling's performance and closed at or near their worst with falls ranging to ¾. The Government Securities index was 0.37 down at 61.73.

● GOLD gained $¼ to $129½.

● WALL STREET partially recovered from falls ranging to 6.30 to close 2.32 down at 991.38 on a tentative agreement in the two-day road hauliers strike. Page 11

● OIL REVENUE from the U.K. sector of the North Sea should be about £900m. in 1976. Page 9

IMF reserves right to halt gold auctions

● IMF IS on the verge of approving eight gold auctions annually for the next two years but is likely to reserve the right to cancel them if it feels the bids are not high enough. Back Page

● GOVERNMENT scheme to encourage investment in the ferrous foundry industry has started well with £4.41m. assistance already approved and applications for up to £20m. more in the pipeline. Page 9

● PAN OCEAN Oil Corporation the U.S. group heading the committee which is developing the Brae field in the North Sea, has received a $280m. (£139m.) takeover offer from the U.S. Marathon Oil Corporation. Back Page

● MARITIME – Fruit Carriers said two of its ships have been freed from Hamburg and Rouen following their arrest for overdue debt service on mortgages held by the Danish Ship Fund.

● FOUR WHITE-COLLAR British Rail employees have been dismissed for refusing to join a trade union under the industry's closed shop agreement. A further 52 will be dismissed next week. Page 13

COMPANIES

● ICI WILL press for higher selling prices due to sterling's decline and the consequent increase in imported raw material costs, said the chairman. Page 8 and Lex

● FIRST NATIONAL Finance Corporation prospects are particularly unpromising, says the chairman. Page 8 and Lex

● BRITISH PRINTING Corporation profit for 1975 fell to £3.12m. (£4.52m.). Chairman expects "significant growth to occur when the recession is over." Page 17 and Lex

● BOWATER CORPORATION second-half profit fell £5m. to £27.1m. for a total of £52.9m. (£58.5m.). Total dividend is unchanged at 7.1p. Page 14 and Lex

...ICE CHANGES YESTERDAY

...ce unless otherwise ...licated)

RISES

...	£16	+ 1½
...	252	+ 5
...	107	+ 7
...2	74	+ 3
...	88	+ 3
...ons	£82	+ 1½
...dian	88	+ 9
...es 'A'	62	+ 4
...	154	+ 5

...ALLS

...u 1979	£96¾	− ¾
... 1990	£99	− ¾
...blshs.	69	− 3
...	275	− 5
...	48½	− 3½
...	89	− 3
...Stores	75	− 3
...ents	120	− 4

Elys (Wimbledon)	50	− 10
GKN	342	− 4
Kent (M. P.)	28	− 4
Martin the Newsagent	132	− 6
Metal Box	282	− 5
Petrocon	95	− 4
Pratt (F.)	68	− 5
Racal Electronics	236	− 6
Ransomes Sims	135	− 4
Reardon Smith "A"	66	− 3
Rowntree Mackintosh	202	− 6
Sandhurst Marketing	29	− 4
600 Group	75	− 3
Tootal	33½	− 2
Trust Houses Forte	104	− 7½
East Driefontein	790	− 30
Free State Geduld	£12½	− 1½
Pancontinental	900	− 125
President Brand	950	− 100
President Steyn	700	− 30
St. Helena	£13	− 1½
Western Deep	920	− 30
Western Holdings	£14½	− 1½

Pound falls 5 cents in two days despite $175m. Bank aid

BY MICHAEL BLANDEN and WILLIAM KEEGAN

The pound fell by almost 1½ cents yesterday to a new closing low of $1.87, having at one stage dropped to $1.8640.

With the market dominated once again by serious concern about the direction of U.K. economic policy and about the Labour leadership outcome the Bank of England had to spend another $75m. to steady this latest unwelcome slide in sterling.

This means that the authorities have spent $175m. out of the reserves in the past two days, in addition to the $1bn. support operation last month, which was confirmed in yesterday's official reserves announcement for end-March.

The pound has now dropped nearly 5 cents in the past two days, and its effective depreciation against all the leading currencies has widened from 34.1 per cent. on Wednesday night to 35.3 per cent. on Thursday and 35.8 per cent. last night.

The actual devaluation of sterling against the weighted average of other currencies now amounts to 8 per cent. since the end of February.

This is somewhat more than the figure which had earlier in the year been considered justified for the whole of 1976 on the basis of official comparisons of inflation rates and the U.K.'s general competitive situation vis-à-vis other countries.

While there are some officials who argue that, depending on the base taken, this latest depreciation can be justified on competitive grounds, this view is far from unanimous within the Government.

The slide this week reflects a growing lack of confidence at home and abroad, which has been fuelled by the uncertainties surrounding the Labour Party leadership situation, the strikes at British Leyland and the questions raised by a pessimistic analysis of the U.K.'s economic outlook by the Department of Applied Economics at Cambridge.

The fall has certainly not been engineered by the U.K. authorities. On the contrary, it could hardly have come at a worse time for them, since it makes both the presentation of next week's Budget, and the whole course of the negotiations for Stage Two of the incomes policy, that much more difficult.

The slide has already caused the Chancellor to revise certain passages in the text for next week's Budget speech, although at this stage points of emphasis, rather than basic policy decisions have been affected.

For example, it is too late for the Government machine suddenly to produce another batch of public expenditure cuts to restore confidence. On the other hand, the Chancellor will certainly not want now to overdo the reflationary aspects of the £1bn. or so tax cuts due to be unveiled on Tuesday.

Despite these implications, however, the pressure on sterling has been such that the authorities have evidently not felt it sensible to spend very large sums out of the reserves in attempting to stem the fall.

Yesterday's operations by the Bank were generally described as being designed simply to steady the market in highly nervous conditions during the two main periods when sterling was being pushed down.

The problem also gave rise to fears in some parts of the City that the authorities might push short-term interest rates up again to help protect sterling, though yesterday the Bank's minimum

Continued on Back Page
Mr. Healey's test, Page 12

MPs' doubts on spending cuts

AN ALL-PARTY Commons committee has sharply criticised the Government's White Paper on public spending, which appears to hope for a near economic miracle." Plans for cutting expenditure in future years create a "growing credibility gap." Back Page

Return to work at Rover plants

By Roy Rogers

BRITISH LEYLAND car production should be back in top gear next week after settlement yesterday of the three-week-old pay strike involving 400 toolmakers at eight Rover plants in the Midlands and Cardiff.

But renewed widespread disruption of production could occur unless two pay disputes at Birmingham carburettor and suspension subsidiaries are resolved before stocks of these key components dry up.

The Rover toolmakers accepted a peace formula for their complicated dispute over the interpretation of last year's pay agreement—they claimed they should have been paid up to £2 a week more than they received and will resume work on Monday morning. This will allow the phased recall of 4,000 Rover workers and the resumption of Land Rover and Range Rover production by about Wednesday.

A further 13,000 or so workers, made idle by two other disputes which were settled on Thursday, are also due to start returning on Monday and production of the entire Triumph car range, as well as Minis and Marinas should start up again early next week.

The strike by 32 toolmakers at SU Carburettors continues to be the main threat to Leyland car production.

The national executive of the Amalgamated Union of Engineering Workers has instructed the 32 strikers to return to work because the claim, for £6-a-week increases backdated to last December, breaches the union's declared support for the Government's pay policy.

Peace talks, based on a company offer to pay the £6 as of April 1—in line with the pay policy's 12-month rule—broke up yesterday evening without agreement, but may well be resumed.

The other running dispute involves 70 toolroom repair fitters on strike from the Drews Lane, Birmingham, suspension plant over a demand for a £10-a-week increase

Man of the Week, Back Page
The Razor's Edge, Page 12
Pay-out for Barber, Back Page

£ in New York

—	April 2	Previous
Spot	$1.8745-8755	[illegible]
1 month	0.90-0.80 dis	0.85-0.80 dis
3 months	2.30-2.20 dis	2.40-2.30 dis
12 months	7.60-7.40 dis	7.80-7.20 dis

Major issues undecided as summit ends

BY REGINALD DALE, COMMON MARKET CORRESPONDENT

LUXEMBOURG, April 2.

THE EEC summit ended dismally here to-day without any major decision on the three main agenda items—the economic situation, the political future of Europe and the direct election of the European Parliament.

Mr. Harold Wilson, at the end of his last foreign engagement as Prime Minister, was nevertheless satisfied with the "workmanlike" proceedings, and said the regular meetings of the European Council were becoming increasingly valuable for their informal political exchanges. His views were echoed by President Giscard d'Estaing, of France, who cautioned that sensational developments should not be expected from an institution that was running smoothly.

Other leaders, particularly from the smaller countries, were more outspoken, however. Mr. Leo Tindemans, the Belgian Premier, said the failure to take decisions meant the summit must now seriously rethink its basic purposes. Herr Helmut Schmidt, the German Chancellor, said that those who had expected nothing from the talks would come away satisfied.

Mr. Tindemans, author of the report on European union that was discussed for the first time here today, was particularly distressed — as were the Dutch and Luxembourg leaders — by the failure to agree on the size and composition of the new European Parliament after it starts to be directly elected in 1978.

Last night's attempt by M. Giscard d'Estaing to break the deadlock over the number and distribution of seats ran out of steam this morning when Italy repeated its objections to his proposal. Mr. Wilson and Mr. James Callaghan, the Foreign Secretary, also seemed to have serious reservations about the French plan, which involved simply retaining the composition of the present 198-seat Parliament, whose members are nominated by national Parliaments.

Mr. Callaghan said the British Parliament might wonder whether it was worth going on with direct elections if there was no increase in the size of the European chamber. The French plan, under which Britain would keep its present 36 seats, would mean that European constituencies in the U.K. would average 1.5m people each.

The Foreign Secretary said he had put forward figures that would give Wales and Scotland a fairer share of seats compared with the Community's smaller countries, such as Denmark and Ireland. The French proposal could mean only two seats for Wales and five for Scotland, against ten each for Denmark and Ireland.

With no sign of a breakthrough the heads of government simply referred the matter back to Foreign Ministers, who have already twice failed to agree, in the hope of making further progress by the next summit in July. In similar fashion, proposals for greater economic convergence in the Community were handed on to Finance Ministers after the heads of government found themselves unable to agree on the text of a joint statement.

M. Gaston Thorn, the Luxembourg Premier and Council president, claimed bravely at a Press conference that economic and monetary union, with a single common currency, remained the ultimate objective. It would be wrong to expect decisions in a day, a month or even a year.

The attempt to agree a statement was abandoned after Herr Schmidt had dismissed the draft text as "black poetry" and full of internal contradictions. The main difficulty arose from a bid to marry a British text on unemployment with a French one on economic and monetary policy, which were manifestly incompatible.

Nevertheless, M. Thorn said all the other leaders had agreed with Herr Schmid on the need for strict adherence to the "four disciplines," covering money supply, budget deficits, production and wage costs, and the balance of payments. The finance ministers are now to study further a Commission paper that calls for binding economic policy co-ordination, together with penalties for countries stepping out of line unjustifiably—although this idea is regarded as nonsense in British circles.

No major decisions had been expected on the Tindemans Report, which was simply handed on to foreign ministers with an undertaking to reach conclusions by the end of the year. On Dutch initiative, the Council issued a brief statement on Rhodesia, backing British policy and calling on the white minority to accept a rapid and peaceful transition to majority rule.

Jenkins offered EEC post

Mr. Roy Jenkins is considering an offer of the presidency of the EEC Commission, should he decide to leave Parliament after his disappointing showing in the Labour leadership contest. Back Page

Tour operators concerned at cost of guarantees

BY MICHAEL DONNE AND ARTHUR SANDLES

THE PLUNGING pound threatens to make this year the worst for some time for Britain's package tour industry. Several companies are now paying dearly for their price guarantee schemes offered last autumn.

Earlier this year these schemes produced a flood of business which led to speculation that the boom was back. Since then the number of Britons booking holidays abroad has fallen severely.

The turn-round has been remarkable. In January tour bookings were said to be up 5-10 per cent on last year. Now they are at least 15 per cent. down overall. Tour bookings for Spain may be worse, with some companies putting the figure as much as 20-25 per cent. down.

Last night the peseta was still strong against the pound, after hovering around the 120 mark for much of the day. Most package tour brochures for this summer had prices based on 126 to the £.

But Mr Harry Chandler, chairman of the Tour Operators' Study Group, said yesterday that it was not necessarily the prospect of surcharges which worried travellers "It is concern over the value of their pounds when they actually reach the resorts."

Last year many companies made guarantees of no surcharge, or low surcharge, with various strings attached. When the big groups such as Thomson and British Airways produced such schemes other companies, perhaps of not such substantial financial weight, were forced to follow suit to attract business.

The guarantees covered likely effects of changes in currency values on fuel costs and accommodation. More than 80,000 British Airways travellers took advantage of the airline's "no surcharges" guarantee by booking before January 16, and so are safe.

Many thousands more took advantage of the lesser guarantee that bookings made after January 16, for holidays between April 1 and July 31, would risk surcharges of only up to £5.

British Airways based its plans on a possible depreciation of the pound to about $1.85. Even with the slide of the past two days, it is still just within its budgetary plans

Some tour organisers may have to impose surcharges if only to cover the cost of fuel, which has to be met in dollars and which has risen sharply as a result of the events of the past two days.

Tour organisers and airlines are also worried that many would-be holidaymakers who have already booked may become alarmed and decide not to go, producing a sharp rise in cancellations.

The Tour Operators' Study Group said yesterday that holidaymakers going to Italy were still getting refunds on the brochure prices of their holidays because of the fall in the value of the lira against the pound.

But refunds on holidays to Spain had disappeared. With Greece, the brochure prices still stood, but for Austria, Germany and Switzerland some surcharges were being introduced.

Mortgage rates may be reduced

BY MICHAEL CASSELL, BUILDING CORRESPONDENT

A REDUCTION in the mortgage rate, together with a fall in building society investors' rates, is likely to be announced next week

Although next Tuesday's Budget could still prevent a decision by the Building Societies Association, three days later, to cut the mortgage rate for the first time since 1971, this does not seem probable.

The present mortgage rate has stood at 11 per cent. since September, 1973, although the ordinary investors' rate fell from 7.5 per cent. to 7 per cent. last June.

In the past few weeks there have been mounting doubts in some quarters about the advisability of taking any decisions now, as some society executives feel that remedial action could soon be necessary. It does, nevertheless, appear that a majority of societies are ready to bring themselves more into line with general interest rates.

The wide gap which has recently developed between the movement and other competing investment institutions has left them with record levels of savings, and preliminary estimates suggest that February was the second most successful month on record. Demand for loans remains very strong but there is still a general feeling that some tailoring of interest rates can be achieved without stemming the flow of funds.

Lower tax bill

The chances are that the Association will recommend a reduction in both investors' and borrows' rates of ½ per cent. Societies believe that they could sustain such a reduction later this year, even if competitive rates moved upwards, as they anticipate. Neither do they want to make the investors' position any less favourable than can be helped.

A 1 per cent. cut cannot be completely ruled out, however, and if the Chancellor decided to cut the standard rate of income tax—a course considered unlikely—this would result in a lower tax bill for societies which could be passed on in the form of a larger interest rate reduction.

On a £10,000 mortgage taken out over 25 years, a ½ per cent mortgage cut would provide a gross monthly saving of £2.60, whereas a 1 per cent. reduction would save £7.10 a month. Many borrowers could opt for a cut in their repayment period.

While the Treasury welcomes the counter-inflation aspects of any mortgage rate reduction it is also aware of the society's major involvement in the gilt-edged market, a role which it would not wish to see curtailed by any cut in funds brought about by interest rate reductions.

In addition, the Department of the Environment, which has been working closely with societies to ensure a steady market in house prices, has expressed some fears about the repercussions which cheaper loans could have.

The overall official view, however—while perhaps not as strong as it was a few weeks ago—is that some interest rate reductions would be acceptable.

FEATURES

ON OTHER PAGES

For latest Share Index 'phone 01-246 8026

The week in London and New York

All eyes on sterling

ONLOCKER

Down over seven points at noon, the equity market made a clear attempt to steady itself yesterday afternoon — despite continued pressure on the pound and a fresh outbreak of unhelpful news at home. Sterling started to slip badly on Thursday and this week it has fallen over five cents against the dollar for a trade weighted depreciation now out to 35.8 per cent. Predictably that sort of renewed setback has lowered gilts sharply while equities have lost practically all of last week's gains. Over the five days the 30-share index is 13.9 points lower at 396.5 for a rise of just 2.2 points over the account.

In fact confidence has now been pushed to its lowest level for some months. The week started with depressing economic forecasts from Cambridge plus motor industry strikes, while yesterday there was evidence of what the latest pressure on the pound has been doing to the country's gold and currency reserves. The uncertainty will be continued, for the first couple of days of next week. The final ballot for the Prime Ministership takes place on Monday followed a day later by the Budget: and equities are now close to the bottom of the 30 point trading range that has existed since early January.

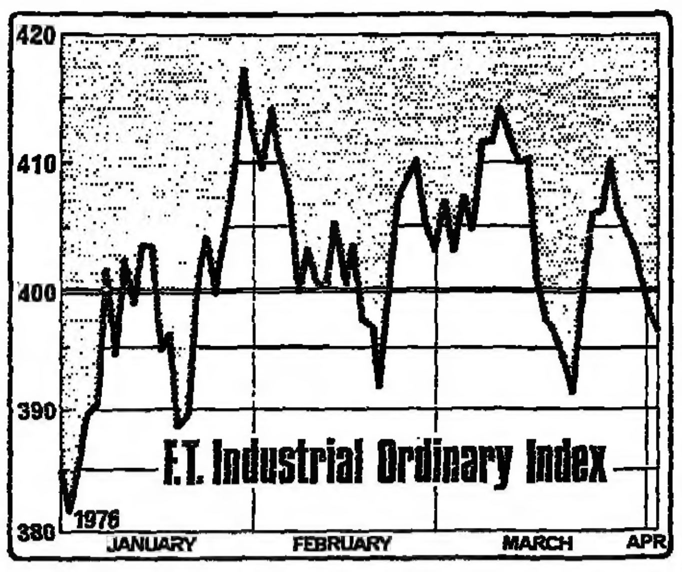
The equity path this year has been the longest sideways movement within such a narrow trading range since the autumn of 1971. Gold shares have again fallen sharply, and our gold mines index has fallen 40 per cent. this year. The bullion price is just a tenth lower since January 1 half of the setback occurring this week.

Dropped bricks

Ibstock Johnsen emerged from 1975 with profits ahead of forecast while on Thursday—just two days later—London Brick disappointed the market with a weak second half. But for both companies the relevant year for earnings is still 1977. By then the housebuilding cycle could be turning down having recovered modestly over the past year or so, and most outsiders expect London Brick's profits to move sharply lower next year. This week its share price has fallen 8 per cent. to 53p, against a 1976 peak of 64p.

At £9.8m. pre-tax, London Brick's 1975 returns compare with £2.7m. and a previous peak of £8.9m. But the second half of 1975 was perhaps an eighth below what the market was expecting—and the blame lies with price cuts in December following an upsurge in stock profits and the need for the company to get its reference margin back into line. Group production is currently a third up on 1974 at roughly 80 per cent. of capacity, and profits overall this year should rise modestly. But one estimate of profits for 1977 points to a drop to between £7m. and £8m. pre-tax—at a time when industrial profits in general will be rising.

Ibstock does not have the same operational gearing as London; its output is less than a tenth of the latter's and it is mostly tied to the upper end of the brick market anyway (average selling prices at Ibstock run to around £500 per thousand, against perhaps £200 at London). But the company is still tied to the housing cycle with three-fifths of 1975's output going to the housebuilder.



Zip at Granada

Fans of TV rental shares were provided with a confidence booster this week. Granada Group forecast on Wednesday that half-year pre-tax profits to March were a fifth higher, and that there was no reason to suppose that the interim trend should not continue for the remainder of 1975-76. At the same time, Thorn Electrical has mounted what is tantamount to a rescue bid for the ailing Stanwood Radio.

THE TOP PERFORMING SECTORS IN FOUR WEEKS FROM MARCH 4	% Change
Toys & Games	+ 5.7
Oils	+ 4.2
Machine & Other Tools	+ 3.1
Insurance Brokers	+ 3.0
Engineering (General)	+ 2.1
Engineering (Heavy)	+ 1.8
All-Share Index	— 1.9

THE WORST PERFORMERS	% Change
Breweries	— 6.5
Merchant Banks	— 7.9
Hire Purchase	—10.1
Entertainment & Catering	—10.4
Property	—11.6
Discount Houses	—13.8

At Granada much of the earnings growth stems from a recovery in overseas rental which finally got out of the red last year with a £5,000 profit, against a £470,000 loss in 1974. The scope for improvement here is impressive and this should be enhanced by a particularly strong performance in West Germany. Also the contribution from Canada will improve following the purchase of Granada's major competitor, Colorvision, from Electronic Rentals. The rental picture at home is brightening, and the indication of group profits topping £17m. pre-tax this year—against £14½m.—will result from growth in the U.K. as well as overseas.

Stanwood Radio's problems—it lost £0.9m. pre-tax in 1975—are internal and they stem mostly from weak retail trading, an experience shared by Telefusion recently. But Stanwood seems also to have burnt its fingers from a too low rental on high cost TV imports. Electronic Rentals holds 23 per cent. of Stanwood, but it is Thorn—with a bid of 12p a share—that has made the first move towards a rescue operation. The shares closed 26 per cent. higher on the week at 12p.

Tourist boom

It's an ill wind: this week's sharp dive in the value of sterling is plainly a potential boost to overseas tourist spending. Last year the pound fell by 14 per cent. against the dollar, and it has dropped a further 7 per cent. since. And tourist traffic last year looked to be running some 10 per cent. higher. The improvement stems from a substantial increase in the volume of "hard-currency" tourists from the EEC, with actual U.S. arrivals 7½ per cent. down. This, however, has not prevented the prestige Savoy Group of hotels from this week announcing a move back into a profit of £52,000 (against a loss of £68,000). Because of sterling's weakness the major U.K. hotel groups may now be able to restore their position in the world tariff market, and this prospect seems to be one of the reasons for Trafalgar House's £2.75m. purchase of the Ritz.

About 70 per cent. of overseas tourists spend at least part of their time in London which is where most of the major retail groups keep their flagships. And a solid performance from Harrods has helped House of Fraser to keep profits moving upwards for 1975-76. Down 4 per cent. after nine months, group profits rose £1.2m. to £20.8m. pre-tax last year, though cost reductions—mostly staff — and an extra week of January's "sales" were equally important influences.

The current quarter has to match last year's Budget-inspired boom, but Harrods reports a 100 per cent increase in over-the-counter export business for March and the store has recently introduced a special export centre for tourists. Having risen by a fifth this year, House of Fraser eased back 1½p on the week to 85½p, where a yield of 7 per cent. is back in line with Debenhams.

Bad debts

A further round of bad debt provisions at Grindlays Bank—making a two year total of nearly £44m. — has done little to ease the pressures on bank shares this week. But at least the sector has managed to move out of the bottom half of our monthly performance charts having featured prominently on the previous six occasions. Grindlay's attributable losses total £19.3m. for 1975 but the deficit in the second half has been held at £3.3m., and the bank clearly hopes to get out of the red in 1976.

In operating terms Grindley's reckons to have made a profit for July to December, after tax and bad debt provisions of £6m., against £18.8m. in the first half. But further hefty additions have had to be made to the general provsion and lower down the p and l the bank is in the red. Grindlay's now has some £40m. of tax losses in the U.K. which it hopes to bring into action this year; and the overseas operations — worth earnings of around £7.3m. in 1975 — continue to expand.

MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1976 High	1976 Low	
F.T. Ind. Ord. Index	396.5	—13.9	417.4	381.6	Weakness in sterling and Gilts
F.T. Gold Mines Index	142.4	—30.8	246.9	142.4	South African tax increase
S. Rhodesia 6% 1978-81	£39	— 6	£62	£39	Political uncertainties
Associated Book Publishers	69	+12	72	51	Excellent results
Booker McConnell	139	+11	170	122	Encouraging preliminary report
Burgess Products	28	—10	42	28	Interim div. omission and loss
Clifford (Charles)	107	+22	107	68	Ahead of and after bid approach
English Property	48	— 7½	76½	46½	Fear of more property co. failures
Jevons Cooper	40	+ 6	40	23	Return to dividend list
Lawtex	22½	— 7½	47	22½	Poor interim results
Legal and General	135	—11	148	130	Disappointing results
Linread	28	— 7	40	28	First-half loss
Lyons (J.) "A"	114	—20	155	114	Recent "rights" issue
MEPC	64	—11	98	62	Fear of more property co. failures
Newman Tonks	39	— 7	49	39	Interim profits setback
Pancontinental	900	—325	£19	900	Required 75 pc. Aust. ownership
Reed (Wm.)	36	+ 7	42	16	Bid situation
Rolls-Royce Motors	55xr	— 6½	69	53½	£4.1m. "rights" issue
Southern Kinta	75	—16	100	75	Closure of Thailand operations
UDS	81	— 7	98	80	Loss incurred by German sub.

U.K. INDICES

Averages week to—	April 2	Mar. 26	Mar. 19
FINANCIAL TIMES			
Govt. Secs.	62.22	62.02	61.42
Fixed Interest	61.86	61.60	61.13
Industl. Ord.	401.7	402.6	399.6
Gold Mines	155.9	173.7	191.1
Dealings mkd.	7,047	6,080	6,777
F.T. ACTUARIES			
Capital Goods	154.71	153.96	153.06
Consumer (Durable)	137.75	137.14	135.76
Cons. (Non-Durable)	151.31	151.70	151.60
Ind. Group	158.65	158.61	158.12
500-Share	174.78	174.27	173.93
Financial Gp.	135.73	136.77	136.44
All-Share	164.47	164.48	164.26
20-year Govt.	49.66	49.46	48.85
Red. Debs.	49.42	49.50	49.74

Broadly based

BY JAY PALMER NEW YORK, April 2.

DESPITE starting the second quarter of 1976 apparently too weak to remain above the 1,000 level, the Dow Jones Industrial Averages can look back on a 16 per cent. gain during the first three months. Although in the past this predominately blue-chip index has not always been truly representative of the market as a whole, over this period it was spot on.

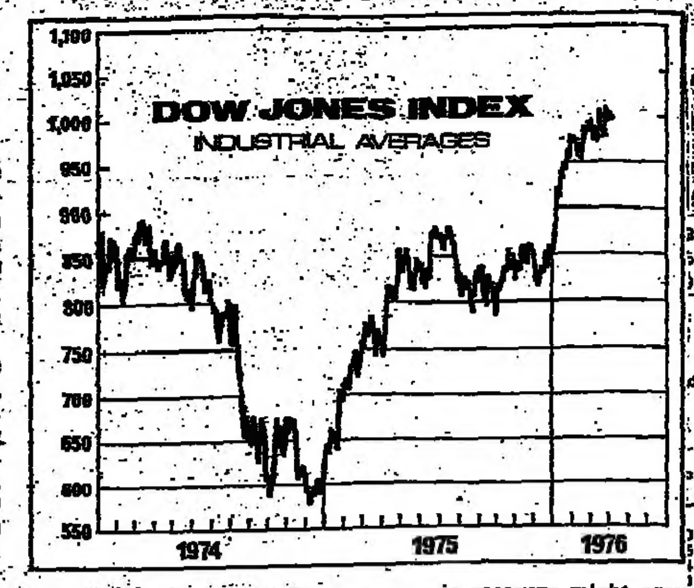
During the three months, an analysis by an independent computer firm points out that the total value of all 1,600-odd companies quoted on the NYSE rose 15½ per cent. Now it goes without saying that there were huge swings within this common rise but, nevertheless, it does provide confirmation of just how widely based the recent rally was.

Interactive Data, the New England financial computer analysts, point out that the three months saw a strong buying shift away from the traditional leaders and institutional favourites to the smaller, less well known companies. Of the 1,486 NYSE companies which altered share prices over the quarter, only 95 moved lower.

At the same time, it is clear that lower priced stocks utterly dominated the percentage gainers list over the period. Indeed the five top performers on this basis (showing three month rises of between 136 and 219 per cent.) all closed 1975 with share prices of no more than $20.

Over the three months the DJII gained nearly 150 points, or about 50 points a month. Now on projections suggesting that this trend will be maintained, we are talking about a new all-time high of over 1,050 sometime next month, 1,200 in the autumn and a year-end level of 1,400. The only sensible conclusion is that the market—at the very least—will slow its rate of advance and this, in turn, suggests some future possible sharp consolidations.

But all the evidence available now suggest that, first this consolidation still lies some time ahead in the future and, secondly that in the interim the advance will continue to be widely based. One can indeed (as two research brokers apparently did over the past quarter) make as much profit through fundamental analysis as through either a "dart-board" fund or—believer it or not—letting a black labrador pick stocks off the Wall Street Journal prices page.



On a more serious note, the market had very good reasons for moving ahead over the three months. All the economic indicators were moving up—with the crucial exceptions of interest rates and inflation—while corporations were proudly forecasting massive earnings recoveries.

Looking ahead, there seem only two possible clouds on the horizon or three if one includes the political uncertainties in a presidential election year. First, Wall Street is now becoming more concerned that the nation's economic recovery might prove too strong and thus generate a new burst of inflation. Secondly, while there are now mildly encouraging noises coming out of the strike talks with America's unionised lorry drivers, this remains only the first of the crucial wage negotiations falling due this year.

Day	Change	Close
Mon.	—6.06	997.4
Tues.	—5.27	992.1
Wed.	+7.32	999.4
Thurs.	—5.35	994.1
Fri.	—2.52	991.5

Mining — Safer than the bank

BY KENNETH MARSTON, MINING EDITOR

THAT FAVOURITE saying of this column, "metal in the ground is better than money in the bank," has been again underlined this week by fresh weakness in sterling and a consequent gallop in base metal prices on the London Metal Exchange.

Across the Atlantic the producers' copper quotation has been raised by 3 cents to 66 cents per pound and Alcan's subsidiary, **Aluminium Company of Canada**, has lifted its export price of aluminum ingots by 4 U.S. cents to 43 cents per pound. America's **Kaiser Aluminum** has followed suit.

And all this has been happening at a time when the metals are still in heavy oversupply and consumer demand has barely begun to stir from its slumbers. When the metal users really start to stock up in line with the expected world economic recovery the implications for metal prices are only too clear and so, too, are those for the balance of payments of a major metal importing country such as the U.K.

Rustenburg

But while metal prices are being dominated by currency nervousness relatively little advantage is being gained by the mines whose earnings are also subject to currency fluctuations. South Africa's **Rustenburg Platinum Mines**, for instance, finds that repayment of its Euro-dollar loans will cost R12.1m. (£7.4m.) more as a result of last September's devaluation of the rand.

Platinum is still very much in the doldrums with the producing mines operating at well under capacity and free market metal prices running in the $131-$141 per ounce range compared with the $155 charged by Rustenburg.

A ray of light has emerged, however, with the news that this big mine is to increase production "with a view to increasing the company's saleable stocks." Although expecting lower profits in the current year Rustenburg intends to at least maintain its total dividend The shares are held by **Potgietersrust, Waterval and Union Platinum.**

Gold bides time

There is not much excitement in gold these days with the price of the metal being held in check by anticipations of the forthcoming auctions (a date has yet to be set for them but the first would be in May) of International Monetary Fund gold holdings. But at least the mines are able to sell all the gold they produce and the fall in prices has brought a welcome revival in buying by the jewellery trade.

Anglo American Gold Investment's chairman Mr. Ogilvie Thompson, still reckons that "the present depressed mood will pass and that the future of gold is well assured." Meanwhile, the South African labour shortage has been largely overcome and better productivity coupled, possibly, with a return to mining the better grade ore will help in the battle against rising costs.

This does not alter the fact that the gold share market remains very much out of favour and following the increased tax and loan levy outlined in this week's South African budget, prices have fallen afresh. The Gold Mines index is now down to 142.4 compared with 246.9 at the beginning of the year.

Were it not for the threat of the pending auctions the price of gold might well be running at record levels in these days of currency turmoil. It is not in the interests of the IMF to depress the price of the metal further but the sooner uncertainty can be dispelled by the first auction, the better. In all, this could be a time for marking out those gold shares (preferably with a uranium by-product) suitable for a "recovery" purchase in the not too distant future.

South Africa's **Union Corporation** straddles gold and platinum. This week the chairman, Mr. E. Pavitt, has confirmed the view put forward here that higher income from platinum this year will be offset by a fall in that from gold.

Shareholders, incidentally, will not be called upon to contribute to the R30m. (£18m.) needed by Union Corporation for its share of the R250m. (£153m.) Richards Bay heavy minerals project in Natal, which is due to reach production within two years.

The money, says Mr. Pavitt, will be found "from our own resources augmented, if necessary, by loans." Meanwhile the operating companies for the big project have announced that its loan financing has been completed. It involves $138m. (£72m.) through America's Citicorp International Bank and R45m. (£27m.) in South Africa.

Travelling Tins

The way has been cleared by the Take-over Panel for the eventual Malaysian takeover of **London Tin**, the proposed bid being worth 197½p per share to U.K. holders. The proposals also envisage the transfer of domicile to Malaysia of several tin producing companies which means that their share prices will be enhanced by the investment dollar premium.

They include: **Kamunting, Malayan Tin, Southern Kinta, Southern Malayan, Tronoh, Ayer Hitam** and **Sungei Besi.** Not so good news for **Southern Kinta** shareholders, however, is that its strike-bound operations in Thailand, which provided about one-third of the company's income, have been closed down and will probably stay that way if the troubled situation in the country does not stabilise after the national elections on April 4.

Higher gold mine tax

A STERN budget has been announced this week in South Africa and the mining industry has not escaped unscathed. As so often happens when overseas budget proposals are announced—and ours, too, for that matter—there tends to be some uncertainty as to details until the ultimate legislation is passed. So with the help of my man in Johannesburg, Richard Rolfe, this appears to be the picture for the mining companies.

The gold mines are taxed according to a sliding scale formula which takes into account their various circumstances and allows capital expenditure as an offset. The existing tax rate ranges to 60 per cent. on which there is a 5 per cent. surcharge plus a returnable loan levy of 5 per cent. In other words, the present maximum tax and loan levy payable can amount to 66 per cent. of profits.

Under the new proposals, the 60 per cent. tax rate is unchanged, but the surcharge is doubled to 10 per cent. and the loan levy rises to 15 per cent. This means that the maximum amount payable to the State can rise to 75 per cent. of profits. **West Driefontein**, for example, last year paid 61 per cent. of its R202m. (£121m.) working profit. Under the new arrangements the charge would rise to 67 per cent. after allowing for tax offsets.

As far as South African industrial companies are concerned the effective maximum payment to the State rises only from 43 per cent. to 49 per cent. So it looks as though the gold mines, which have already been hit by the fall in the bullion price, are getting the worst of the deal.

Base-metal companies will be treated similarly to the industrial concerns and Southvaal, which is regarded as a financial company and not as a gold mine, will also be affected by the relatively lower increase.

So, too, will be the platinum mines. Tax on diamond mines will rise from 51.75 per cent. to 56.25 per cent. while the South African mining finance houses will suffer an increase in undistributed profits tax from 25 per cent. to 33.3 per cent.

Non-South African companies, such as **Consolidated Gold Fields** will no longer be exempt from non-resident tax on their dividends from the Republic. But these companies will have the offset of U.K. Double Taxation Relief. To sum up, it could have been much worse and the companies still have plenty of metal in their banks underground.

TV/Radio

† Indicates programme in black and white

BBC 1

8.55 a.m. Ragtime. 9.10 Marine Boy. †9.35 Champion the Wonder Horse. †10.00 Just for Fun (Mack Sennett comedy). 10.15 Daffy Duck. 10.25 On The Move. †10.35 Zorro. 11.00 The Little House on the Prairie. †11.50 Charlie Chaplin in "The Floorwalker." 12.20 p.m. Bugs Bunny. 12.27 Weather.
12.30 The Grand National in Grandstand: 12.30 The Aintree scene; 1.40 The Fancied Runners; 2.00 Sun Ratings 'Chase; 2.10 Meet the Jockeys; 2.30 Templegate Hurdle; 2.40 Final Check; 3.15 The News of the World Grand National Steeplechase; commentaries; 4.30 The jockeys' stories; Cup Focus (12.50) Scottish Cup semi-final day; Boxing (1.15); Rugby League Cup semi-final (3.45) St. Helen's v. Keighley; 4.40 Final Score.
5.05 Walt Disney's The Mouse Factory.
5.30 News.
5.40 Sport/Regional News.
5.45 Jim'll Fix It.
6.20 Dixon of Dock Green.
7.10 Saturday Night at the Movies: "Hollywood or Bust," starring Dean Martin and Jerry Lewis.
8.45 News.
9.00 Eurovision Song Contest "live" from Holland.
11.00 Match of the Day Special.

All Regions as BBC-1 except at the following times:—

Wales—9.35-10.00 a.m. Telifant. 12.10 a.m. News and Weather for Wales.

Scotland—4.55-5.05 p.m. Scoreboard. 5.40-5.45 Scoreboard. 11.00-11.40 Sportscene Special. 11.40 News Summary and Weather for Scotland.

Northern Ireland—4.55-5.05 p.m. Scoreboard. 5.40-5.45 Northern Ireland News. 12.10 a.m. News Headlines and Weather for Northern Ireland.

BBC 2

7.40 a.m.-1.55 p.m. Open University.
2.55 Saturday Cinema: "Pony Express," starring Charlton Heston.
4.30 Play Away from the Ulster Museum in Belfast.
5.05 The Money Programme: report on Portugal's problems.
5.50 Westminster.
6.20 Open Door.
6.50 Rugby Special.
7.30 News and Sport.
7.45 Our Mutual Friend.
8.35 Network.
9.00 2nd House: portrait of Krzyszt Penderecki.
9.35 Second City Firsts.
10.30 Open Door.
11.00 News on 2.
11.05 Midnight Movie: "Island of Terror," starring Peter Cushing.

LONDON

9.00 a.m. Catch '76. 9.25 The Big Booming Bicycle Show. 9.50 Return to the Planet of the Apes. 10.20 Fantastic Voyage. 10.45 Junior Police Five. 11.05 Run, Joe, Run! 11.35 Thunderbirds.
12.30 p.m. World of Sport: 12.35 On the Ball; 1.00 International Sports Special (part 1) Ice Hockey—Montreal, Canadiens v. Toronto Maple Leafs; 1.10 News from ITN; 1.20 The ITV Seven—1.30, 2.00, 2.30 and 3.00 from Kelso; 1.45, 2.15 and 2.45 from Towcester; 3.10 International Sports Special (part 2) Motor Racing—Long Beach Grand Prix; 3.35 Wrestling; 3.50 Half-time Round-up; 4.00 Wrestling; 4.50 Results Service.
5.05 News from ITN.
5.15 Meet Peters and Lee.
5.45 New Faces.
6.45 The Stanley Baxter Picture Show Part III.
7.45 "Carry On Up The Jungle." starring Frankie Howerd and Sidney James.
9.25 The Best of Upstairs, Downstairs.
10.30 News from ITN.
10.45 The International Pop Proms.
†11.45 "Gaolbreak," starring Peter Reynolds.
12.45 a.m. In God's Name.

All ITV Regions as London except at the following times:—

ANGLIA

9.50 a.m. Wake Up To Yoga. 10.15 Hammy Hamster's Adventures on the Riverbank. 10.30 Baldmoney Sneezewort Dodder and Cloudberry. 10.45 Big Blue Marble. 11.10 Clapperboard. 11.35 Born Free. 5.15 p.m. New Faces. 6.15 Meet Peters and Lee. 7.45 Saturday Night Film: "The Games" starring Michael Crawford, Stanley Baker, Ryan O'Neal and Charles Aznavour. 11.45 Russell Harty. 12.45 a.m. At The End Of The Day.

ATV MIDLANDS

9.15 a.m. Drive In. 9.40 Big Booming Bicycle Show. 10.30 Tarzan. 5.15 p.m. Return to the Planet of the Apes. 5.45 Sale of the Century. 6.15 New Faces. 7.15 Six Million Dollar Man. 8.15 Saturday Cinema: "The Hill" starring Sean Connery, Harry Andrews and Ian Hendry. 11.45 ATV Today Pick of the Week.

BORDER

9.30 a.m. Catch '76. 10.00 The Big Booming Bicycle Show. 10.30 Manfred. 10.40 The Big Blue Marble. 11.05 Wait Till Your Father Gets Home. 12.35 Daniel Boone. 5.15 p.m. New Faces. 6.15 Sale of the Century. †7.45 Border Sports Results. 7.50 Big Star Film: "Hatari!" starring John Wayne, Elsa Martinelli and Red Buttons.

CHANNEL

5.15 p.m. New Faces. 6.15 Sale of the Century. 7.45 The Saturday Film: "The Fall of the Roman Empire." 11.45 Police Surgeon.

GRAMPIAN

9.55 a.m. The Big Booming Bicycle Show. 10.20 U.N.C.L.E.: "One Spy Too Many." 12.05 p.m. Sky. 5.15 New Faces, followed by Highland League and Shinty Results. 6.15 Meet Peters and Lee. 9.30 Griff. 11.45 Evening Prayers.

GRANADA

9.15 a.m. Catch '76. 9.40 The Big Booming Bicycle Show. 10.05 Sesame Street. 11.10 The Count of Monte Cristo. 11.35 Daniel Boone. 5.15 p.m. Now Who Do You Do? 7.45 The Big Film: "The Fall of the Roman Empire" starring Sophia Loren and Alec Guinness. 10.45 Police Story. 11.40 The Late Film: "Earthbound."

HTV

9.05 a.m. The Big Booming Bicycle Show. 9.35 Catch '76. 10.00 Sesame Street. 11.00 Elephant Boy. 11.30 Planet of the Apes. 5.15 p.m. New Faces. 6.15 Yes, Honestly. 7.45 The Big Film: "The Fall of the Roman Empire" starring Sophia Loren, Alec Guinness and Christopher Plummer. 11.45 Kung Fu.

HTV Cymru/Wales—As HTV General Service except: 6.15-6.45 p.m. Cartref Fillir.

SCOTTISH

9.30 a.m. Catch '76. 10.00 The Big Booming Bicycle Show. 10.25 Skiing with Gina. 10.50 Felix the Cat. 10.55 The Beachcombers. 11.20 Yogi's Ark Lark. 12.05 p.m. Sky. 7.45 Feature Film: "The Fall of the Roman Empire" starring Sophia Loren, Alec Guinness, James Mason and Christopher Plummer. 11.45 Late Call. 11.50 Police Story.

SOUTHERN

9.15 a.m. Catch '76. 9.40 The Big Booming Bicycle Show. 10.10 Regional Weather Forecast. 10.15 What's Up Doc? 10.20 Tell Me Why. 10.50 Fantastic Voyage. 11.15 There They Go Go Go. 11.20 U.F.O. 12.15 p.m. Southsport. 5.15 The Persuaders. 6.15 Sale of the Century. 10.25 Nuts in a Rut. 11.45 Southern News. 11.50 Bygones.

TYNE TEES

9.30 a.m. Catch '76. 10.00 The Big Booming Bicycle Show. 10.25 Skippy. 10.55 Opportunity. 11.00 Tarzan. 12.00 Wait Till Your Father Gets Home. 5.15 p.m. New Faces. 6.15 Sale of the Century. 7.45 The Big Film: "The Fall of the Roman Empire" starring Alec Guinness. 11.45 The Collaborators. 12.40 a.m. Epilogue.

ULSTER

10.30 a.m. Catch '76. 11.00 Hammy Hamster's Adventures On The Riverbank. 11.30 Sesame Street. 5.00 p.m. Ulster Sports Results. 5.15 New Faces. 6.15 Sale of the Century. 7.45 Saturday Movie: "Those Magnificent Men and Their Flying Machines," starring James Fox, Terry-Thomas and Benny Hill. 11.45 The Protectors.

WESTWARD

9.30 a.m. Catch '76. 10.00 The Big Booming Bicycle Show. 10.25 Big Blue Marble. 10.50 Look and See. 10.55 Rocket Robin Hood. 11.15 The Gus Honeybun Show. 11.35 Tarzan. 5.15 p.m. New Faces. 6.15 Sale of the Century. 7.45 The Saturday Film: "The Fall Of The Roman Empire," starring James Mason, Sophia Loren and Alec Guinness. 11.45 Police Surgeon. 12.10 a.m. Power For Life.

YORKSHIRE

9.30 a.m. Catch '76. 10.00 The Big Booming Bicycle Show. 10.30 Felix The Cat. 10.40 Big Blue Marble. 11.05 Batman. 12.00 Wait Till Your Father Gets Home. 5.15 p.m. New Faces. 6.15 Sale of the Century. 7.45 The Big Film: "The Fall of the Roman Empire," starring Sophia Loren and Omar Sharif. 11.45 Night Gallery.

TV Top 20

Week ended March 28

		Homes Viewing (m)
1 The Benny Hill Show	Thms.	8.50
2 This is your Life	Thms.	8.40
3 Man About the House	Thms.	8.35
4 Coronation Street (Wed.)	Gran.	7.95
5 Crossroads (Wed.)	ATV	7.65
6 Opportunity Knocks	Thms.	7.60
Crossroads (Tue.)	ATV	7.45
8 Crossroads (Thr.)	ATV	7.60
Sale of the Century	Angl.	7.45
10 Coronation Street (Mon.)	Gran.	7.35
11 When the Boat Comes In	BBC	7.20
12 Crossroads (Fri.)	ATV	7.05
13 Celebrity Squares	ATV	6.80
14 The Good Old Days	BBC	6.75
15 Police Woman	ITV	6.65
Bless This House	Thms.	6.65
17 Happy Ever After	BBC	6.53
Angels One Five	BBC	6.55
19 Cannon	BBC	6.45
That's Life	BBC	6.45

Figures compiled by Audits of Great Britain for Joint Industry Committee for Television Advertising Research.

RADIO 1 247m

(S) Stereophonic broadcast.

6.00 a.m. As Radio 2. 8.06 Ed Stewart (S) (also on VHF) with Junior Choice, including 8.45 Young Ideas in Action. 10.00 Rosko. 1.00 p.m. Elkie Brooks's Top Twelve (S) (also on VHF). 2.00 Alan Freeman (S) (also on VHF). 5.00 Paul Gambaccini (S) (also on VHF). 6.30 In Concert (S) (also on VHF). 7.30-12.33 a.m. As Radio 2.

RADIO 2 1,500m and VHF

6.00 a.m. News Summary. 6.02 Tom Edwards (S), including 8.03 Racing Bulletin. 8.06 As Radio 1. 10.02 Charlie Chester (S). 12.02 p.m. Two's Best (S). 1.02 The Family Brandon (1500m. only, also 202m. Scotland. VHF joins Radio 1). 1.30-5.55 Sport On 2 (1500m. only, also 202m. Scotland. VHF joins Radio 1): The Grand National (1.30, 2.00, 2.25, 3.00, 4.50); FA Cup Special (1.30, 2.20, 2.40, 3.21, 3.6, plus news of the League and the Scottish Cup semi-final); Knock-Out Cup Rugby (1.50, 2.35, 3.45, 4.30, 5.21); plus Britain's Davis Cup-tie against Switzerland; 5.00 Sports Report. 6.03 Star Sound (1500m. only, also 202m. Scotland. VHF joins Radio 1). 7.02 Steptoe and Son (1500m. only, also 202m. Scotland. VHF joins Radio 1). 7.30 Radio 2 Top Tunes (S). 8.30 Robin Richmond (S). 9.00 Eurovision Song Contest 1976 from the Hague. 11.17 Sports Desk. 11.20 Alan Dell (S) with The Late Show, including 12.00 News. 12.31-12.33 a.m. News Summary.

RADIO 3 464m, Stereo & VHF

8.00 a.m. News. 8.05 The Young Idea (S). 9.00 News. 9.05 Record Review (S). 10.15 Robert Mayer Concert (S). 11.35 Rachmaninov song and piano recital (S). 12.02 p.m. Robin Ray presents popular classics (S). 12.55 News. 1.00 Foreign Press Review. 1.15 Amadeus String Quartet (S). 2.20 Man of Action: Ivan Sutton chooses records (S). 3.35 Music of the Masters (S). 4.00 Jazz Record Requests (S). 4.45 Critics' Forum. 5.35 "Siegfried," music drama in three acts by Wagner, Act 1 (S). 6.40 Fabulous Beasts. 7.20 "Siegfried," Act 2 (S). 9.45 Interval Reading. 9.55 "Siegfried," Act 3 (S). 11.25-11.30 News.

Radio 3 VHF only—6.00-8.00 a.m. Open University.

RADIO 4

434m, 330m, 285m and VHF
† Medium Wave only

6.30 a.m. News. 6.32 Farming Today. 6.50 Outlook. VHF Regional News. 6.55 Weather, programme news. 7.00 News. 7.10 On Your Farm. 7.40 To-day's Papers. 7.45 Outlook. 7.50 Today from Aintree, including at 7.55 Keep Fit or VHF Regional News. 7.55 Weather, programme news. 8.00 News and more of Today with 8.30 Sportsdesk. 8.45 Today's Papers. 8.50 Yesterday in Parliament. 9.00 News. 9.05 From Our Own Correspondent. 9.30 The Week in Westminster. †10.00 News. †10.02 The Weekly World. †10.15 Daily Service. †10.30 Pick of the Week. †11.30 Science Now. 12.00 News. 12.02 p.m. Robin Ray (S) as Radio 3. †12.55 Weather, programme news VHF (except London and SE) Regional News. 1.00 News. 1.15 Any Questions? †2.00 Weekend. †3.00 News. †3.05 Thirty-minute Theatre. †3.35 Music of the Masters (as Radio 3). †5.00 PM Reports. †5.55 Weather, programme news. VHF (except London and SE) Regional News. 6.00 News. 6.15 Stop the Week with Robert Robinson. 7.00 News. 7.02 Desert Island Discs. 7.30 These You Have Loved (S). 8.30 Saturday-night Theatre. 9.58 Weather. 10.00 News. 10.15 A Word in Edgeways. 11.00 Lighten Our Darkness. 11.15 News.

VHF only—6.05 a.m.-12.00 and 2.00-5.00 p.m. Open University.

BBC Radio London

206m and 94.9 VHF

6.00 a.m. As Radio 2. 7.32 Good Fishing. 8.00 News, Weather, traffic and to-day's sports news. 8.15 The London Gardener. 8.30 Ashley Jones with Saturday Scene. 10.30 Sportsline. 11.30 Robbie Vincent's Saturday Show. 2.00 p.m. Close Up. 2.30 Music and London Sport. 5.00 As Radio 2. 6.00 Newsbreak. 6.03 Support Your Local. 6.30-12.33 a.m. As Radio 2.

London Broadcasting

261m and 97.3 VHF

6.00 a.m. Morning Music. 7.00 Holiday 261. 7.30 This is London. 8.00 "AM". 10.00 Jellybone. 12.00 London's Week. 1.00 p.m. Newswatch. 1.30 Sportswatch with Dominic Allan. 6.00 Newswatch. 6.30 Parliamentary Report. 7.00 Artsweek. 9.00 David Bassett. 1.00-5.30 a.m. Nightwatch — news every half-hour.

Capital Radio

194m and 95.8 VHF

5.00 a.m. Kerrygoround. 9.00 Capital Countdown. 12.00 Kenny Everett with a week's madness concentrated into a two-hour musical maelstrom. 2.00 p.m. Person To Person. 4.00 London Link. 6.00 Soul Spectrum. 10.00 Tommy Vance. 2.00 a.m. Night Flight.

CHESS SOLUTIONS

Solution to Position No. 108 (c) is right. 1 P-B5! NxN (or KPxP; 2 N-Q5); 2 P-B6! NxR; 3 BxRP! wins, for the pawn at KB5 has stopped the black king's escape route.

Solution to Problem No. 108. 1 R-Q5 (threat 2 R-K5 mate), KxR; 2 R-K4; and if KxR; 3 B-B6 mate, or if BxR; 3 B-B7 mate.

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Your savings and investments

After the great event

BY CHRISTOPHER HILL

EVERY YEAR the period immediately prior to the April Budget is a time when investors try to assess what will happen to the market after the great event. Usually they come up with no positive conclusions and even the technical analysts fail to detect historical patterns which are helpful in the investment context. But this year is even more fraught with uncertainty than usual for the decision on the premiership is still unknown and what is known is not very encouraging — in that it is obviously a close contest. At the same time sterling is under pressure.

At this time of the year we usually ask institutional investment managers what they think the outcome of the Budget might be and what their hopes and fears are. Maybe they have no better idea than anyone else, but they have to take a view for the tone of the Budget affects the U.K. market and therefore their investment strategy.

What a ring-a-round of the fund managers reveals is that although most of them are relatively fully invested in advance of the Budget, they are by no means as confident as they were at the turn of 1975. Then it was not unusual to find sober-sided managers predicting that the market might break the existing records during the year, but now one can sense that this confidence is waning. For one thing the market itself has been disappointing on an overall basis since the beginning of the year in that the FT All Share Index has gained only a few points and the Ordinary Index has bounced up and down through the 400 mark on a number of occasions. By this time in the year one might be expecting some definite indication one way or the other, but it has not occurred yet and the selling point is that, although the managers are fully invested, a significant proportion of the new money is going into overseas markets, with the emphasis on the U.S.

Clouds on the horizon which loom high in the general sense include the possibilities of a short-term capital gains tax and the removal or restriction of higher-rate tax relief on mortgage interest. But the former had a beneficial effect on the stock market in the past and the latter is considered unlikely by the investment fraternity. Leading figures like David Maitland, the managing director of Save and Prosper, are going for a neutral Budget with practically no changes affecting the stock market on the grounds that this is not a time to change course and that the Chancellor will want to give the new Prime Minister some elbow room for horse-trading with unions over the next stage in the pay policy. What they are hoping for in particular, however, is that the deferred tax liability on stock appreciation for companies (which came in during 1974) will be permanently written off. The feeling is that it will be impossible to do anything else without creating a fresh corporate liquidity crisis, especially since the engineering sector was the major beneficiary.

Of course what the unit trust industry would like in particular is for income on gilts to be made franked for corporate investors but they do not really expect this to be the case. And on the subject of gilts it is interesting to find that King and Shaxson the discount house which runs several gilt-edged funds for investors is fully liquid in the funds at this stage in the game. James Parrish of King and Shaxson said that any upside deviation on public expenditure beyond what has already been estimated would knock the gilt market for six and with it sterling and he did not feel like taking the risk by staying invested. But the reverse would also have a marked effect and this is what other managers in the equity market are counting on.

Changes

IT IS always a happy event for me to receive a free copy of the latest edition of the Unit Trust Year Book, produced by Fundex, and it contains its usual mass of explanatory material about the 400 unit trusts and affiliated schemes in the industry. In the light of my experience over the past year or so, I am also pleased to see that the handbook contains a full list of the trusts which have changed their names in recent years. They amount to about half the trusts in the industry and indeed the most popular question in letters over the past year has been "Whatever happened to my fund?" This handbook provides the answer and is available from Fundex Limited, Freepost, London EC2B 2XY (no stamp required) at £3.10 per copy until April 9 and £3.85 thereafter.

● Besides Being All Fools Day, April 1, this year was the day when the new rules came into force under which life assurance premiums qualify for tax relief. As regular readers of these columns will remember, these rules have effectively put a stop to the selling of open-ended life contracts providing low cover but high investment.

But all is not lost as far as investors are concerned. In the life assurance industry, when the Inland Revenue closes one door, the back-room boys often manage to open another. This week has seen the launch by several life companies of their new style maximum allocation schemes, so perhaps it is opportune to review the types of contract becoming available.

C. N. B. Wodehouse
Trident Life Assurance

The basic investment vehicle for these new schemes is a ten-year policy, the shortest term possible, so the designers have moved to the other end of the scale from the open-ended contract. Being the shortest term, it provides the lowest level of guaranteed death benefit while still remaining a tax qualifying policy—75 per cent. of total premiums paid, that is 90 times the monthly premium. But 10 years is a short and rather inflexible term for investors, since if they try to cash-in beforehand they will suffer some tax penalty. So the designers have introduced a certain amount of flexibility.

Under such a scheme life companies can provide a percentage allocation of units during the earlier years of the policy well in excess of 90 per cent. and over 100 per cent. allocation after the first few years. Trident Life, a company which was selling the old type maximum allocation plans up to 11 o'clock on Wednesday evening, has launched its new version—Triple Ten—under which percentage investment in units is 97 per cent. in the first five years for ages under 40, 103 per cent. in years 6 to 10 and 105 per cent. thereafter. The company provides its investors with two renewable ten-year options, so that the contract can go on for 30 years.

National Westminster's revised Sunflower monthly savings plan provides investors with the option to renew every ten years ad infinitum. So there is no practical difference between its new and old contract. The investment allocation here is 82½ per cent. in the first year and 100 per cent. thereafter. The Phoenix Assurance Ten plus Ten, which has been on the market for several months only, provides one renewable option but invests 99 per cent. of premiums for the first ten years for ages under 40 and 105 per cent. thereafter.

Some life companies have adopted a different approach to designing a new style contract. They have kept the basic contract as an open-ended policy, but have limited the premium paying period. Investors under the new style Crescent Life International Plan and the Vanbrugh Life Maximum Investment Plan have to decide at outset the premium paying period and can make their choice between 10, 15, 20, 25 years to age 65—the maximum age for premiums to be paid. While this does provide a high percentage allocation it does introduce a lack of flexibility in the scheme. I prefer the ten plus approach.

ERIC SHORT

Deciding on rates

MOST HOLDERS of traditional with-profits contracts have seen some useful increases in their bonus rates this year. Indeed, there are only a handful of life companies which did not increase their reversionary bonus rates this year, but this week Legal and General Assurance, Britain's second largest life company, joined their ranks by declaring an unchanged rate for 1975.

There are probably very good reasons for certain life companies keeping bonus rates unaltered when everyone else is increasing theirs, but investors cannot and should not be expected to guess these reasons.

This need for disclosure assumes, in my opinion, much greater importance for proprietory life companies where shareholders receive a portion of the life fund profits. The L and G and Law, another large life company which has unchanged bonus rates, both announced increased dividend rates this week, L and G by the maximum 10 per cent. and Equity and Law by 6.7 per cent.

Although there is no direct connection between bonus rates and dividends, policyholders could feel aggrieved if dividends are raised, but bonus rates are unchanged. A few simple words of explanation in the annual report and accounts of both companies would, I feel, keep the record straight.

Agriculture

THE MERITS of investment in agricultural land are being put forward by some commentators now that the price of land is climbing again following the fall over 1975. Investors looking for long term capital growth could well take a fresh look at what the agricultural funds have to offer. Property Growth's fund, the doyen of such funds, is now yielding 5 per cent.

The company has orientated this fund towards arable farmland in East Anglia and the Fenlands and has been acquiring further farms in this area. Expansion has been made not only by acquiring fresh farms, but by extending the acreage of existing farms by buying adjacent fields. The value of a farm is very much a factor of the quality of the person in charge of the farm and Property Growth has been selective.

ERIC SHORT

Geared in the U.S.

BY TERRY GARRETT

AFTER THE dramatic rise of the U.K. equity market during 1975, the pace slowed down in the first quarter of 1976. So investors are now turning to stock markets elsewhere for potential capital appreciation and in this context Wall Street has caught the imagination. So far this year the market there has risen by nearly a fifth, but the prospects have often been overestimated by U.K. investors in the past, and now that the Dow Jones index is stubbornly sticking around the 1,000 level the question is how much further there is to go before New York runs out of steam.

Still, a reasonably strong U.S. equity market looks in prospect at least for the rest of this year, and if the U.K. investor wishes to take advantage of it there are a number of options open to him. First, there is direct investment, but the dollar premium at its current levels is a deterrent: secondly he can buy U.K. industrial shares with a U.S. bias (which we commented on last week); thirdly he can invest in unit trusts which are slanted towards the U.S.: and finally he can go for investment trusts which can offer a geared interest in North America.

In this respect there are five specialist trusts which stand out: Atlanta, Baltimore and Chicago, City and Foreign, Montagu Boston, New York and Gartmore and West Coast and Texas.

Both AB and C and West Coast have shown strong price performances over the last year, but the shares are stillstanding at discounts to assets of 35 per cent.—which are considerable for this sector. Elsewhere City and Foreign is on a discount of only 16 per cent., but C and F is heavily committed to American split level trusts which in turn are standing on fairly high discounts with relatively short lives to redemption. So C and F's rating is understandably above average and is not unattractive for this type of share.

The small premium that New York and Gartmore's share price is currently commanding over its asset value looks rather expensive and Montagu Boston's discount of say a fifth is not particularly cheap.

But one of the main drawbacks with these trusts is the lack of marketability. Apart from Montagu Boston with assets approaching £10m. — which in investment trust terms is still fairly small — all the others are under £3m. Also the yields are very small; West Coast has the largest return at nearly 4 per cent., and the others range downwards to City and Foreign which pays no dividend at all.

Yet these specialist trusts should not be rejected out of hand. Investment in these vehicles gives virtually a total commitment to the U.S. So if the investor takes the view that a marked increase in American share prices is in prospect, these trusts could provide a suitable opening, but most analysts would advise taking a look at some of the larger more traditional trusts first.

Many of the larger general trusts have substantial U.S. portfolios, and investing in these does give a wider spread of underlying investments. Moreover, the shares of these trusts are usually more marketable. Currently the discounts to assets are considerable and the yields more acceptable than those of the more specialised funds.

The accompanying table lists some of the larger funds, which fall into this catagory. Most have about two-fifths of assets represented by U.S. investments, and if Wall Street shows its expected strength, the U.K. share prices of these trusts should respond favourably.

Of this short list all the discounts are sizeable but a couple—Continental and Industrial and Investors Capital — stand out with above average figures. Both have shown relatively strong price performances during 1975 with a 157 per cent. increase from Continental and a 173 per cent. rise from Investors Capital.

The latter trust is particularly interesting because until the end of 1973 it was a rather unexciting income-orientated vehicle known as Investors Mortgage. A change of emphasis was then indicated by the Chairman along with a dividend cut, and since then the asset performance has been reasonable, but against this the yield now is only 2.4 per cent.

	Total assets £m.	Share price discount to assets %	dividend yield %
Alliance Trust	126.3	28	4.73
British Inv. Trust	116.8	29	4.06
Continental & Industrial	42.5	31	4.35
Edinburgh & Dundee	74.8	28	3.70
Investors Capital	62.2	33	2.44
Scottish Eastern	80.4	29	4.49
Scottish Mortgage	97.6	29	3.91
Scottish Western	58.0	29	3.87
Second Scottish	62.3	29	3.81

Source: Grieveson Grant's weekly list.

Finance and the family

Bank deposit interest

BY OUR LEGAL STAFF

I received a £600 assessment demand from HM Inspector of Taxes, on December 23, 1975 for bank deposit account interest for years 1975-76. I only received £13.95 in June 1975, and £44.55 in December, total £58.50. I have always paid the tax on the preceding year basis and not on current year basis. Has the law been changed?

There has been no change in the law and practice relating to the assessment of bank deposit interest recently. You do not give us much to go on, but there seems to be no reason for the 1975-76 assessment to be based on the current year's interest, unless either (a) the account was opened after December 1972 or (b) the account is being closed this year.

Presumably you completed parts 1 and 2 of the Notice of Appeal form which accompanied the assessment notice, and sent it back to the Inspector within 30 days as explained in the notes: if so, the assessment will doubtless be corrected when the inspector has had time to look at your tax return for last year. If you overlooked the notes explaining the necessity of giving notice of appeal promptly, you should write to the Inspector at once, asking for your late notice of appeal to be accepted and explaining as fully as possible why you did not appeal in January.

Overshadowing hedge

My house is overshadowed by a very high hedge belonging to a builder who is developing the neighbouring site. The developer refuses to take action, and though I have cut the branches on my side the position is still unsatisfactory. Is there anything I can do?

If the hedge is wholly in the ownership of the developer there is nothing that you can do about it in law so long as it does not grow to infringe a right of light (if your house is less than 20 years old there will normally be no right of light). However, this may well be a case where "self-help" is indicated. If you trim the hedge to a proper height the owner will suffer no damage thereby.

House occupied rent free

My father left two houses, in one of which my mother and the other my sister lived, with a life interest to my mother and then to his children equally. On my mother's death the rest of us let my sister and her husband, who are pensioners, live rent free. Would there be capital gains tax to be paid if the house were sold on my sister's death?

Where a relative of the owner occupies a house rent free and is incapacitated by old age or infirmity from maintaing himself, which we assume to be your sister's case, then the house can be free from capital gains tax on disposal. In so far as your sister is part owner of the house, any gain would certainly be tax free in proportion to her share we think the rest would be also.

Funds inherited from abroad

I am an Austrian national resident in the U.K., and have recently inherited funds in Austria in the form partly of bank deposits and partly of fixed interest in provincial government loans. Am I right that there is no compulsion for me to remit these funds to the U.K.? If I do remit, would they qualify for the premium?

As a U.K. resident, irrespective of your nationality, you are subject to the U.K. exchange control regulations. These include the general obligation to remit all foreign currency for exchange into sterling. However, because of your nationality, it would be possible for you to apply to the Bank of England through your bank for a measure of exemption if you wished to keep funds abroad.

It appears to us unlikely that you would be able to gain the investment currency premium on your money. In the first place, this applies only to securities which are quoted on a recognised stock exchange, which would not include bank deposits. Secondly, you have inherited them from a non-resident, in whose hands they would not be premium-worthy, and in principle their status would not be changed because they had passed to you.

Dilatory lawyers

For nine years I have had a lot of bother with my solicitors, culminating in their failure to prosecute an appeal against a judgment given against me in July, 1974, although I lodged the sum of £500 with them which they asked for to meet costs. The basis of my appeal was what I discovered to be perjury and fabricated evidence, questionable methods of the plaintiff and his lawyers. My solicitors are still prevaricating and I cannot find others to act for me. Have I any redress? How long can an appeal be left in abeyance? What are my courses of action?

Provided your solicitors were sufficiently in funds to prosecute the appeal, as appears to have been the case, they ought to have complied with your instructions. If any increase in costs or any other damage can be shown to have been caused by their failure to act on your instructions, you would have a claim for breach of contract against them. However, it would be difficult for you to establish such damage.

The appeal should not be left in abeyance any longer—you should instruct your solicitors in writing to prosecute the appeal diligently to avoid its being struck out for want of prosecution. If you have evidence, on which to base charges of perjury and/or falsification of evidence, you can communicate with the Director of Public Prosecutions and invite him to consider instituting the appropriate criminal process. It is essential for this that the evidence should be both clear and strong. Your only effective alternative is to discharge your solicitors and conduct your appeal in person.

Gifts from Australia

I am an Australian citizen, though I live in the U.K., and my father has offered me a gift of a sum of money to be placed as deposits in Australia and mining shares to be transferred from his name to mine. Can the share remain registered in Australia? What is the position regarding the premium?

As a resident of the U.K. for exchange control purposes you would normally have to ensure that any foreign currency securities you own were deposited with a U.K. authorised depositary, though they may remain registered in Melbourne. As a gift from a non-resident, the shares would not attract the investment currency premium.

Any foreign currency held should be brought to the U.K. and transferred into sterling. However, as an Australian national we believe you may be able to seek some exemption from the rules, and in particular may be able to retain gifted cash abroad. You should apply to the Bank of England through your bank.

Avoiding the Rent Acts

I live in a house which I am dividing into flats, in which each has a kitchen. I propose to let them furnished, pay myself for lighting and heating, provide each occupant with food for breakfast, but let them cook it. Will this arrangement fall outside the Rent Acts? Could I legally eject tenants if they are troublesome? Or could I call the police?

If your contractual arrangement will be to provide the ingredients of breakfast but not the service of preparing it, the position in law remains unclear. An arrangement of that kind could fall on the side of the line which excludes Rent Act protection, but it is by no means certain. You would be wise to consult a solicitor with a view to drafting a standard contractual licence rather than a tenancy as that would strengthen the claim that the Rent Acts do not apply.

You cannot legally evict a residential tenant otherwise than by means of an order of the Court: Section 32 of the Rent Act 1965 applies to all residential tenancies, whether or not within the protection of the Rent Acts. Here again you will be in a stronger position if you grant licences rather than tenancies: and similarly in the case of a service occupancy. In practice you will always need to take a disputed case to court, as only the court can determine whether a contract creates a licence or a tenancy.

You should consult a solicitor who is versed in Rent Act procedure if you wish to deal effectively with the troublesome tenant. It would not be wise, nor yet effective, to seek to cope with this by calling the police or by other "ad hoc" measures.

Connection with main drain

When I bought my house six years ago, I was told that it was connected with the main drainage system, but this now appears not to be the case, owing to trouble with the sewage which has arisen. I have now been told I should apply for such a connection, but there is a standard charge of £50 for making good the road and that I will have to pay for the connection to be made by a contractor engaged by me. Can I be thus compelled? I suspect that there was a connection, but that it has been broken, possibly by the Water Board when laying a new main. What is my position in that regard?

If the usual searches and requisitions were made of the local authority on your purchase and these indicated main drainage, you have an action in negligence against the council. The damage would not, strictly speaking, be the cost of connection, but prudent council would accept that such a claim should be resolved by connecting you free of charge. The sewerage authority can require you to connect to the main sewer. If it could be established by evidence that the Water Board had damaged a connection which had existed, you would of course have a claim against the Authority which is the successor to the Water Board. You would be wise to consult a solicitor.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Taxation

Days of hopes and fears

FOR THE Chancellor to correct both fiscal drag and the problem of poverty surtax on Tuesday would be vastly expensive and simply not on at present levels of Government expenditure. The real test of Mr. Healey's statesmanship will be how he deals with the taxation of business enterprise. If he deals intelligently and realistically with the problem of stock appreciation; if he does something to restore the confidence of privately owned business by the remuneration of capital transfer tax and capital gains tax as applied to private companies; and if we hear no more of the proposals to increase rates of capital gains tax or to introduce a wealth tax, we can regard Mr. Healey as a statesman.

First, inflation accounting. As a result of inflation many companies have in the past paid tax on totally fictional profits and indeed out of the little capital they need to survive and prosper. This, the famous "Doomsday Machine" has been one of the major factors inhibiting industrial investment in this country. Stock relief of a temporary nature was given in the last two budgets and there is no reason to believe that something similar will not be offered this time. What we have to look at is the method which is used.

Last year and the year before companies were enabled to postpone tax on most of that part of their profit which represented an increase in the value of stocks. This is a rough justice approach and the relief applies equally to increases in the money value of stocks due to inflation and to increases in physical inventory. As a permanent measure it would both make forestaling too easy (companies could move stocks around between themselves to coincide with their various year-ends) and would distort investment decisions, making it more attractive to tie money up in higher inventory rather than new machinery. A more sophisticated formula will obviously be needed and this is likely to take the form suggested in the Sandiland Report. However, the Sandiland approach itself has two major weaknesses and I very much hope that they will not be adopted uncritically.

Both the Chancellor's own recent measures and the Sandiland proposals result merely in the postponement of taxation. It will be argued that this is fine for the expanding going concern (the ones, it will be said, we really want to encourage) as the postponed tax will never in fact be precipitated. This is fallacious. However the accountancy profession choose to present it, the contingent tax liability woud be there and would be seen to be there both by the directors of the company and by its bankers. The real equity of a company will be reduced and both the company's willingness to borrow for expansion and its ability to borrow will therefore also be reduced. It is surely essential that any real relief for the effects of inflation will enable the book value of the company's equity to be maintained in real terms before any tax is actually paid. If a company had net equity of £10m. at the beginning of last year it needs to put to reserve £2.5m. to have this same real capital base this year. It should be allowed to earn profits at this level before there is any actual or contingent liability to tax.

. . . We need to create an investment-led boom . . . without any expansion of money supply

Contingent tax liabilities can distort the capital market in other ways. It is sometimes desirable for companies to run down their activities because of changes in consumer preference and in technology. It is sometimes desirable for companies to be broken up into their component parts. If the existence of contingent tax liabilities makes it virtually essential for a company in a declining trade to diversify and keep expanding (even if its directors may know nothing about the business into which they are diversifying) we shall be building up for ourselves yet another generation of sleeping giants created in response to a distorted tax system. For a number of reasons, the tax system has, over the years, had a bias towards bigness and mergers and against the division of over-large companies into units of a more manageable size.

The other objection to the Sandilands proposals is that they result in "fiscal starvation." If companies have little immediate taxable profit (after absorbing their ACT) they have little further incentive to claim capital allowances to borrow or otherwise to expand. The ACT system has ceased to serve its original purpose and has become just what it was meant not to be—a withholding tax. It is overdue for reform—and no longer only because of the severe prejudice imposed on British international companies. If ACT cannot be abolished (and it has procedural advantages) it should be recoverable against certain charges on income and against credit relief from double taxation. However, the real problem is not a tax problem, it is simply that companies are not making sufficient profits to enable them to expand and to provide future jobs—a cure here may depend on other aspects of government policy, notably on price controls. We need to create an investment-led boom — encouraging industrial investment without any expansion of money supply, and this must mean policies deliberately directed at shifting resources in favour of industrial profits and restoring the real value of corporate equity. Furthermore, the policies must restore the real position of investors in companies as well as corporate retentions.

Capital Transfer Tax on the disposal of business enterprises is a serious discouragement for the continued growth of privately-owned companies. The privately-owned sector, which is more responsive to market forces and more inclined to cut costs than are investor-owned companies (and vastly more responsive than the public sector) provide more than half the private employment of this country. The slightest indication of a change of direction by Mr. Healey would be welcomed and would provide encouragement to those who see a succession of further imposts and obstacles in every new Labour Budget. At present, profits earned and retained in private companies earn a negative return for their owners. Expansion is irrational. Saving is irrational. Owners look to the future with fear and foreboding. Their fears should be, and indeed often are, shared by their employees. One kind word from Mr. Healey would go a very long way.

Incidentaly when Mr. Healey first raised the top rate of tax on investment income to 98 per cent. I suggested he wanted to beat India's then world record of 97½ per cent. He may be interested to note that in the recent Indian budget the rate was reduced to 66 per cent.—an example he may care to copy.

JOHN CHOWN

Insurance

The case of the missing papers

BY JOHN PHILIP

ALL OF US in our daily lives have to carry a number of documents — credit cards, driving licences, rail season tickets and so on — which, even credit cards when they are lost, can be replaced. There are other documents, antiques perhaps, which have a direct and insurable value.

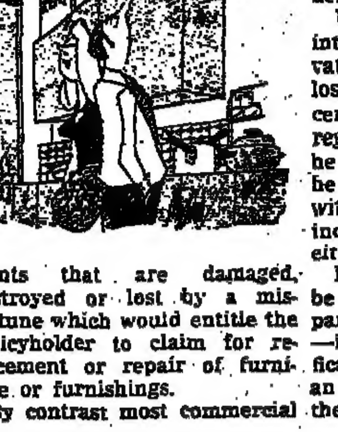
But what of paper of far greater personal consequence, which are not so readily replaceable, such as title deeds to our homes and share certificates?

Undoubtedly it is good sound commonsense for the holder of such documents to lodge them with his bank. Banks, however, do not accept liability for loss or damage.

Since the documents are evidence of the owner's title, their total destruction normally does not in any way affect continued enjoyment of home, or investment income. But when the time comes to sell, that destruction becomes a temporary embarrassment.

In this respect destruction is of less immediate consequence than loss—for the finder, or if the documents are stolen, the thief, may attempt to claim the property as his own, or purport to sell the property to an innocent buyer.

Unfortunately, one of the near standard exclusions to be found in almost every household contents policy is the one cutting out insurers' liability to pay for deeds, bonds or documents that are damaged, destroyed or lost by a misfortune which would entitle the policyholder to claim for replacement or repair of furniture or furnishings.



By contrast most commercial fire and many crime loss policies covering contents of business premises include insurance for manuscripts, documents and books: insurers cover them as stationary and pay for the clerical (or nowadays more probably computer) time involved in reproduction. Commercial practice gives the clue to the kind of extension of cover the householder can buy to widen his domestic insurance, but in fact insurers do not usually advertise the availability of this kind of cover, and there is in consequence little demand.

Usually the shareholders' interest in insurance is activated when he has reported the loss or destruction of his share certificate to the company registrar, only to be told that he can have a new document if he will provide the company with a missing share certificate indemnity underwritten by either insurers or a bank.

However annoying this may be to the shareholder, the company registrar's position is clear —if he issues a duplicate certificate without obtaining such an indemnity, his company runs the risk of having to register someone else as the [...] this event the com[...] lose from double [...] Because share cer[...] regularly go missin[...] pany registrars hav[...] certificate applica[...] ready for completio[...]

The form usually [...] a statutory declarati[...] circumstances of [...] destruction. The o[...] all premium is us[...] range of £1 per cen[...] value of his holdin[...] vary in depresse[...] Assuming no comp[...] surers will then pr[...] demnity and the r[...] provide the duplica[...]

The houseowner [...] some or all of his [...] can obtain what in[...] defective title in [...] enable his solicit[...] the purchaser a go[...] get this kind of pro[...] mally the owner ha[...] statutory declaratio[...] as precisely as poss[...] when the deeds can [...] or destroyed, when [...] came into occupati[...] he has lived at the [...] so on.

Boats

Living with 25 per cen[...]

YACHTSMEN used to be easily identifiable in two distinct and separate life-styles. There were those who enjoyed maintaining their craft, and those who simply enjoyed sailing them. This year the world has been turned upsidedown to the extent of the two breeds mixing.

The imposition of 25 per cent. VAT at the last Budget has forced the lion to lie down with the lamb, if a terrestial metaphor can be applied to matters nautical. The blazer-and-peaked-cap set are learning what it is like to join true tarpaulins in muddy boatyards and bleak marinas in the ritual of Fitting Out.

Sales of paint and fittings are doing remarkably well as boat-owners prepare and improve their charges with the almost universal target of "hope to get her afloat by Easter, old chap." The point is that almost all owners have elected to titivate and perhaps buy a new engine, or a sail or two, rather than invest in a new yacht carrying the 25 per cent. burden.

The impact of that attitude upon the boat-builders has been horrific. Collectively they claim that the Chancellor is extracting a smaller total VAT revenue from them at the 25 per cent. rate than he was when boats were rated at 8 per cent. Two companies I have been talking to recently say their building sheds are busy but at least nine out of ten of their new yachts are going to foreign owners.

Camper and Nicholsons prepared for 1976 with the biggest and most comprehensive range of cruising and racing yachts they have ever offered. Sailcraft of Brightlingsea have now built 150 of their successful Iroquois cruising catamaran design and are turning out one a week. The boats of both companies look mouth-wateringly good and most of the orders specify a great many expensive optional extras ranging from radio telephones to fitted carpets. Nearly all are going abroad.

With the Pound at its present level they represent outstanding value in almost any other country in the world. They are being regarded by home waters yachtsmen as prohibitively expensive when a 30-ft. cruising yacht priced at, say, £16,000 attracts an extra £4,000 in tax.

The secondhand boat market is correspondingly active as those people without a boat or who are anxious to trade up to something bigger or faster try to solve their problem first by direct dealing and, if that fails, through a broker. He takes 8 per cent. of the purchase price from the vendor up to the first £5,000. Thereafter his rate is 6 per cent.

But brokers fees also attract 25 per cent. VAT. All in all, changing boats on the secondhand market must involve the average offshore yacht-owner in an additional outl[...] than £1,000. That [...] many yachtsmen ar[...] spend money on th[...] boats during this [...] season. There is so[...] that much of the ac[...] hand trading is by [...] men who would nor[...] new boat during th[...]

Amid such a gen[...] of financial stringe[...] yachting classes [...] imagined pressures [...] to say the least, to t[...] night with a grizzle[...] I know who has [...] marlin spikes and [...] though he uses re[...] hair dressing. He [...] nothing but good [...] from it all. "Fir[...] years an honest sail[...] able to get a moo[...] South Coast or fir[...] to stand at the [...] he bellowed.

ROY [...]

Chess

Long distance combat

THE VERY first game played by what the World Chess Federation calls "telechess"—games by telex, telegraph, radio, telephone or television—revealed an occupational hazard of such encounters. It was a telegraph match in 1845 between London, whose team included Captain Evans of the Evans Gambit, and Gosport, led by Staunton. With London in a near-winning position, the game was abandoned after seven hours, presumably because the players or the Post Office technicians wanted to get home.

Much more successful were the cable matches between Britain and the U.S., and between London and various American cities, which began in 1896, while the highlight of the radio games after World War Two was Russia's 15½-4½ win over the U.S. in 1945.

Telechess is now again on an upswing in the form of international telex matches, and two such events this summer will provide a welcome chance for our rising young players to measure their skills against the world's strongest chess nations.

An eight-board London v. Belgrade match (5 men, 1 woman, 2 juniors) starts this afternoon at 1 p.m., with the London end at the St. James's Hotel, Buckingham Gate. Yugoslavia is ranked internationally next to the Russians, and Belgrade's top board, Aleksander Matanovic, is a grandmaster and editor of the international theory journal "Chess Informant."

The Lloyds Bank Group are presenting a prize for the best game by a London player, with a special award for Julian Hodgson, who, at age 12, is the youngest from Britain to take part in a senior team international. There will be a move-by-move running commentary on one or more games for spectators.

Later this summer, Lloyds Bank and Lloyds Bank International are sponsoring the London end of a London v New York telex match which will revive the fine tradition of Anglo-U.S. encounters by telechess. This week's game, from a telex match last year between Geneva and the Manhattan club in New York, shows the lively play which such occasions produce. The absence of a visible opponent in telechess seems to encourage a more positive and uninhibited approach than crossboard games.

White: Prahov (Geneva). Black: Forster (New York). Opening: Sicilian Dragon (telex match 1975).

The opening moves were 1 P-K4, P-QB4; 2 N-KB3, N-QB3; 3 P-Q4, PxP; 4 NxP, P-KN3; 5 N-QB3, B-N2; 6 B-K3, N-B3; 7 B-QB4, 0-0; 8 B-N3, P-Q3; 9 P-B3, B-Q2; 10 Q-Q2, R-B1; 11 0-0-0, N-K4; 12 P-KN4, N-B5; 13 BxN, RxB; 14 P-KR4, P-KR4?

The pros and cons of the Dragon Sicilian continue to fascinate: David Levy's Batsford book on the variation has just reappeared in a new and greatly enlarged edition of 240 pages. Karpov's 12 P-KR4 against Korchnoi was thought to refute the defence, but there are improvements for Black and White is sensible here to opt for a different line. Black's last move is worse than a Q-side attack with P-KR4—but the Dragon is a highly geared opening in which Black always has a tricky problem in judging the right moment for his counter to White's play on the KN and KR files.

15 PxP, NxRP; 16 N(3)-K2, R-R5; 17 K-N1, Q-R4? (losing much time—now P-QN4 is essential); 18 N-B3, R-B5; 19 N-Q5! Q-Q1; 20 P-N3, R-B1; 21 B-R6, B-QB3; 22 BxB, NxB; 23 P-R5, P-K4; 24 N-B5.

Black has no pla[...] White now demolish[...] defences in classica[...] ...PxN; 25 QR-N1, Bx[...] 24 ...NxN; 25 PxN[...] RPxP; PxP; 27 R-R[...] (or KxR; 28 Q-R6 ch[...] 28 R-R7 ch, K-B3 [...] Resigns. For if 29 ...K[...] ch, K-B3; 31 P-KB4! [...] will soon be mated.

POSITION No. 108

BLACK (14men)

WHITE (14men)

Grefe v. Benko, U.S. championship 1975. White (to move) is in the frequently recurring situation where a player creates a strong attack against his opponent's king but suddenly has no obvious break-through. If White fails to find a forcing line, his queen and rook on the KR file will start to look offside while Black counters on the Q-flank and in the centre. Black's last move was B(K2)-KB1 intending to meet the obvious BxRP sacrifice with B-N2 and running with the K to the centre.

So this is a critical [...] White. Should he pla[...] (b) 1 P-K5 (c) 1 P-B5 [...] (e) 1 N-Q4 or (f) 1 [...]

PROBLEM No [...]

BLACK (4 m[...])

WHITE (11 men)

White mates in th[...] against any defence ([...] Schach-Echo 1970). W[...] huge material adva[...] black king lacks a l[...] but as with many suc[...] this is a test of solver[...] the unusual.

Solutions Page [...]

LEONARD [...]

Bridge

Unkind trump breaks

ON TWO occasions recently, in sessions of rubber Bridge, the declarer ran up against an unkind trump break. In the first deal below excellent technique was rewarded by success:

N.
♠ A J
♡ 10 9 8 7
◇ 8 7 5 3
♣ 10 7 4

W.
♠ K 6
♡ Q 6 5 3 2
◇ A Q J 9 2
♣ 6

E.
♠ 9 8 4 2
♡ —
◇ K 10 6 4
♣ K Q J 9 3

S.
♠ Q 10 7 5 3
♡ A K J 4
◇ —
♣ A 8 5 2

Both sides had won a game, but North-South had a part score of 60, which accounts for the keen competitive bidding.

South dealt and opened the bidding with one spade, West overcalled with two diamonds, which East raised to three after a pass from North. With his excellent distribution, South tried three hearts, West persisted with four diamonds, and North came to life with a raise to four hearts. This was passed up to West, who doubled with some confidence.

West led the diamond Ace, which was ruffed in hand, and South led a spade, finessing the Knave. Another diamond was ruffed, a spade was led to the Ace, dropping West's King, and a third diamond was ruffed. The declarer now cashed the Ace of clubs, a wise move, and led the Queen of spades. West ruffed with his trump Queen, a club being discarded from the table, and led a trump to South's Ace. The ten of spades came next, West ruffed, and dummy's remaining diamond was discarded. The defence could take one more trick, but there were three trump winners in dummy to add to the seven tricks which South had already made.

West was left to reflect on two things. First, he might have made five diamonds if North had led a spade; second, a trump lead would have beaten four hearts.

The second hand was well bid, but the declarer could not see the way to overcome the bad break:

N.
♠ 9 7 6 5
♡ 8 7 5
◇ K 8 2
♣ K 10 4

W.
♠ Q J 10 4
♡ 3
◇ J 9 5 4 3
♣ 9 8 6

E.
♠ K 8 3 2
♡ J 10 9 2
◇ 6
♣ J 7 5 3

S.
♠ A
♡ A K Q 6 4
◇ A Q 10 7
♣ A Q 2

With East-West vulnerable, South dealt and bid a conventional two clubs. North gave the negative response of two diamonds, and over the opener's rebid of two hearts said two no trumps. South now bid three diamonds, North jumped to four hearts, and after cue-bids in clubs by both partners, South settled for six hearts.

West led the spad[...] East encouraged with [...] and the Ace won. The [...] cashed his Ace and [...] trumps, and the 4-1 d[...] the suit was revealed. [...] played like a peasant [...] tinuing with Queen and [...] trump, East returned [...] spades which South ru[...] with the diamond suit [...] badly, the contract was [...]

Better technique la[...] slam. After cashing [...] King of trumps and fin[...] there is a trump lo[...] declarer should lead a [...] to the King and r[...] diamond. East cannot [...] ruffing a loser, so he [...] South takes his Quee[...] crossing to the table [...] club, leads the last dia[...] East must again discar[...] wins with his Ace. [...] leads the ten, which [...] covers, and ruffs in [...] East can overruff or no[...] pleases. All he can mak[...] one trump trick.

E. P. C. CO[...]

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هكذا اصل الأصل

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MARSHALL

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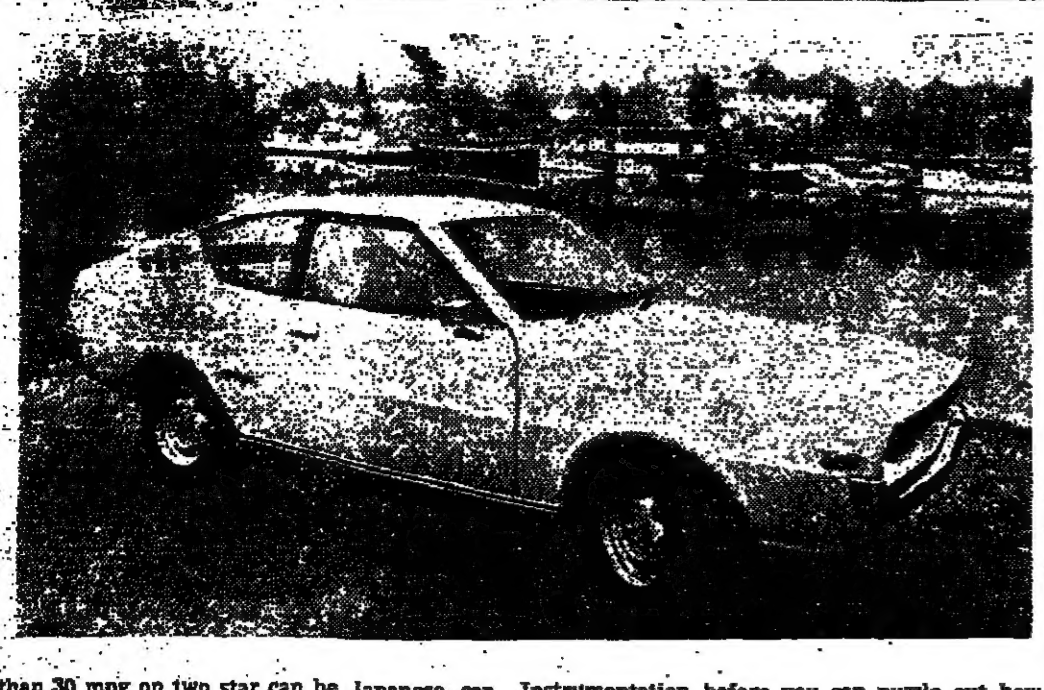

nice looking car,
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than 30 mpg on two star can be obtained.

Despite the simple suspension, with a leaf sprung rear axle, the ride is satisfactory, being neither over-firm nor floating. If treated like a proper sports car, the Celeste starts to feel a bit ragged at the rear end on rough roads, but for brisk, main road driving, it is fine. The steel-belted Bridgestone 70 series tyres grip well in the wet and ride reasonaby softly, though you are left in no doubt *that the Celeste puts quite a lot* of rubber on the road.

The steering, however, is light even at traffic speeds, which is not always the case when a car has low profile tyres, and the lock is good. It's only fault is a typical Japanese slackness around the straight-ahead position, but this does not prevent the Celeste from being nimble and responsive.

The minor controls are easily reached and all the switches have the delicate precision one expects of a Japanese car. Instrumentation is comprehensive, though if you are over 6 feet tall you will find that the rim of the neat, padded steering wheel blots out the top segment of the speedometer and rev. counter and totally obscures the main beam warning lamp.

The front seats are comfortable and have ample adjustment but rear seat leg-room is non-existent if the front ones are pushed well back. As the backrest of the rear seat folds down, the Celeste can be turned into a *slinky* sort of station wagon, though bags have to be lifted (and dogs persuaded to leap) over a high sill.

Trim—a mixture of cloth and plastic—is pleasant. Visibility is not too bad at all for a coupé: as usual, the rear quarters cause awkward moments at forked junctions and the tiny louvred windows are more decorative than practical. There is an effective through-flow ventilation system with controls that do not need half an hour of head scratching before you can puzzle out how they work.

At £2,599 the Celeste 2000, with its radio thrown in, is most competitively priced. The 1600 has no radio, but comes with the tinted glass, head restraints, heated rear window, and laminated windscreen also specified for the 2000. It looks a very good buy at £2,299 for people attracted by the Celeste's styling and three-door utility and who see little point in choosing a 105 m.p.h. car when they will rarely, if ever, exceed 70 m.p.h.

Colt is now also fitting the Mitsubishi "80" engine to the Galant 2000 saloon and hard-tops. At the other end of the scale, the Lancer two-door saloon has become available with a 1.2 litre engine. Though quite capable of holding 80mph for hours on end, it is a much more relaxed little car at 55-60 mph. At £1,625, it could be an alternative to the slightly dearer Ford Escort 1100L (£1,668) for the mainly urban or suburban motorist.

Golf

Greatness and winning ways

BY BEN WRIGHT

HUBERT GREEN continues to denigrate his talents with a vehemence matched only by his current ability to spread-eagle his world-class opposition. Green will not have it said that *he is a great golfer, a statement* that few would have considered until last Sunday evening when this skinny, chirpy Alabaman won his third successive tournament to pocket an unprecedented $118,000. Green retired to his Florida home to gather himself for next week's Masters tournament here.

In aesthetic terms, Green's peculiarly flashy swing is far from beautiful. One did not require him to confess, as he did after the first of his three momentous victories—all of them recorded on first-class courses—that he changes his grip more often than his clothes. His ability is founded visibly more on inspiration than technique, but is none the less devastating for that, and no one can doubt his competitive skill.

If one believes that the third round of most tournaments is the vital one, then Green's performances both at Doral and wonderful Harbour Town, where he won by six and five strokes respectively, was salutary. His respective third rounds of 65 and 66 enabled him to coast to victory on both final days with ruthless efficiency. If Green wins here next week, he will surely not be able to deny that the coveted Master Golfer's green jacket is his own mantle of greatness.

Argument over whether it is style or victories that make the great may rage on, but for me the competitive ability of golf's idols far outweighs the aesthetic. In this area Hogan, Gary Player, Arnold Palmer, Bobby Locke and Nicklaus of the great post-war golfers stand out. I reluctantly exclude Peter Thomson and Henry Cotton from the list because of their lack of major success in America, although in the case of the latter a war intervened just at the wrong time.

In terms of flowing rhythm the late Tony Lema's golf swing was possibly the most glorious I have seen. Who knows what he might have achieved if he had not been cruelly cut off when only just beginning to approach his prime? Of all modern athletes, however, Sam Snead is without doubt the greatest phenomena of all, still capable of demonstrating world class skills allied to effortless power two months before his 64th birthday. Despite his tragic failure even to win the U.S. Open, his seven victories in the other three major events allied *to nearly 150 tournament* wins make him arguably the greatest professional golfer of all time.

Bobby Jones has to have been the finest amateur on every score, not the least because of the successful battle he fought against a fearsome temper on his way to becoming both aesthetically and intellectually a giant. *Now, of course,* I have strayed further back in time than stated in the original terms of reference. But on the eve of the Masters Tournament he created it would be invidious to overlook Jones, Gene Sarazen and Walter Hagen, who plundered our Open Championships nine times between 1922 and 1932.

Back to modern times. Lee Trevino and Tony Jacklin have blazed across the scene with the momentary flashes of brilliance of comets. It is too early to assess their lasting impact, if they are to have one, since they are both struggling at the moment to recapture the elusive recipe of former glories.

Also hovering in the wings on the verge of real greatness are Hale Irwin and Tom Weiskopf, the latter on his day perhaps the most athletic and *majestic swinger of the golf* club the world has ever seen—with incredible power.

Week in, week out Irwin is possibly the best player in the world to-day. Like Weiskopf he has no single weakness, but unlike Tom he is a consistently resolute competitor. Despite the fact that Irwin claims he is putting poorly most of his rivals *would gladly have him putt for* them. To my knowledge Irwin has strayed over par on only five occasions this season in recording two victories, a second, third and seventh place on the *way to $125,000.* Not even Green, who is 40 under par for his last 12 rounds, of which Sunday's final score of 73, two over has been his only round worse than par, can match such *consistent brilliance. Before his* three fine victories Green had missed the cut the previous week, and before that could only boast of two finishes in the top twenty.

Gambling

Picking the real victors

BOOKMAKERS, if you let them talk for five minutes, will give you the indelible impression that theirs is a disaster profession: that they endure more losing races and more losing *runs than you enjoy hot dinners.*

The truth is that they weep their crocodile tears all the way to the bank, and that their inexorable 10 per cent. gross margin keeps most of them in a *state of sumptuous* comfort and profit.

Still, they do occasionally suffer, and in most years much of this suffering is compressed into the 9½ minutes that it takes to run the Aintree Grand National. Contrary to myth—as we may see this afternoon—the Grand National is not a vast betting lottery in which 100-1 outsiders regularly triumph but a professional's race in which the clever money talks.

There are two reasons for this. First, it takes a very special type of horse to win the Grand National, and they don't grow on trees. In most years it is not difficult to pick them out. Second, the National is the world's third biggest betting race, *after the Epsom and Tokyo* Derbys, with the result that the bookies are obliged to bet to highly competitive margins—say 1 or 2 per cent.

The bookies' worst year was probably 1960—M for Murder year—when Mustavon won the Lincoln Handicap at 8-1 and Merryman II, backed down from 16-1 to 13-2 in 48 hours, won the Grand National. All told, the bookies lost £1m.

Even when Foinavon won at 100-1 in 1967 the bookies claim they lost a packet. Over the past five years the race has been won by *L'Escargot at 13-2*, Red Rum (twice) at 11-1 and 9-1, Well To Do at 14-1 and Specify at 28-1.

Much of the attention at Liverpool this afternoon will centre on Red Rum, trying for a record third win. Earlier this week the William Hill Organisation said it was looking for £1.5m. worth of bets on to-day's big race and that as things stood, victory for Red Rum would cost the firm £150,000. A win for Jolly's Clump would set it back

Red Rum

£100,000 The firm has taken a bet of £250 at 200-1 on Boom Docker and several of £1,500 at 10-1 against Red Rum.

Ladbrokes said it expected to handle £1.75m. worth of bets; the Tote Board said its biggest losers were Barona (8-1) and Tregarron (14-1), while Corals said that its likely pay-out *(not* its net loss) in the event of a Red Rum win would probably exceed £1m.

What will settle the final starting prices—and the bookies' *fate—is* the great wash of housewives' money this morning. For many, the Grand National is the only betting occasion of the year. By about 2 p.m., up to £15m. will have flooded into betting shops up and down the land.

Most of this will be invested for no better reason than that the horse in question has a quaint-sounding name or that Myrtle's brother's mother-in-law had a dream last night which luridly featured the probable winner. Those of you who wish to feel you are being clever should back the first four favourites (Red Rum, Barona, Jolly's Clump and Money Market) to level stakes.

Those of you who may be interested in my own decidedly u n i n f o r m e d, eccentrically-arrived-at view of this afternoon's great spectacle might consider Golden Rapper at 25-1, Spittin Image at 66-1 and Ormonde Tudor at 200-1.

But don't *mortgage* the house.

MICHAEL THOMPSON-NOEL

ow biz

Tale of a country boy

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ions. If it was a de-
liberate ploy it certainly worked. Denver now features in TV spectaculars which widen his appeal to a middle-aged audience, who increasingly buy records, many of them by John Denver. In 1974 he was the top selling record artist in the U.S. Last year he was narrowly beaten by Elton John, but it looks as if 1976 could be John Denver's biggest ever year.

The appeal of the golden haired, round faced, bespectacled country singer is obvious. He writes and performs tuneful songs about the open air life which strike a chord in most audiences. He also has a jolly, extroverted, personality. *His* applie pie and cream niceness, is deeply resented by the critics, but adored by a vast public of every age group.

As usual in the pop world there is rather a gap between the gregariousness on stage and his behaviour out of the concert hall. He fiercly protects his privacy, fiercely spending much time in a house perched on the top of a Rocky Mountain near Denver, Colorado. (He first adopted the name and more recently the state). But his love of nature seems genuine enough.

But if there is little mystery about John Denver's personal interests there is a great deal of secrecy about his money. He is managed by Weintraub who is in the great tradition of cigar puffing American impresarios. Few have been as successful as Weintraub, who also looks after Frank Sinatra and the Carpenters, as well as organising Elvis Presley's tours, but like Presley's own Colonel Parker, Weintraub prefers to make money rather than to talk about it.

The two men are close and Denver, who dropped out of school to try his luck as a wandering folk singer, has enough independence to be nobody's *puppet.* The relationship is also mutually profitable.

With all the Denver albums selling over 1m. copies (at least one has topped 5m.), and a feeling that the European market has yet to be fully exploited, the Xerox copy of a royalty cheque for six million dollars from RCA, which Weintraub has on his office wall, could be just a down payment on a very long and lucrative career.

ANTONY THORNCROFT

erbacks

Catching up

Martin Amis

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o is a great deal
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ful with women than poor old Jim was, and much younger too.

When not pursuing an older girl called Rachel, he is still cramming to get into Oxford, and is thus in that dangerous hiatus between school and university. His knowingness, his terrible precociousness about sex, is the point of the book. He is in a condition of chronic self-consciousness and this prevents him from having any experience without being crudely flippant about it. Mr. Amis *fils* brings a surprisingly mature style to this immature world and the result is both shocking and funny.

A few weeks ago I watched Edna O'Brien talking about her short stories in *A Scandalous Woman* (Penguin, 50p), on Melvyn Bragg's TV show about paperbacks, *Read All About It.* It was rather shattering to find that someone so *gently* appealing to behold on the screen should launch into such a violent denunciation of my own sex. Even Margaret Drabble was moved to protest at the vehemence of it.

When you actually get down to the short stories the militancy totally disappears. The mood is consistently elegiac: the recreation of a lost domain which is the Irish countryside, its villages, its self-contained pockets of human life, its empty roads, the land of the author's childhood.

If someone were to ask me to state the kind of novel I dislike most it would be one whose hero is a great poet whose genius takes the form of madness and who has impossible relations with the people who are closest to him. How can any novelist who is not himself such a genius make it at all convincing? Yet this is precisely the theme of Susan Hill's *The Bird of Night* (Penguin, 50p) and starting the book with reluctance I found myself persuasively pulled along by it. Miss Hill has a kinship as a writer with Edna O'Brien in that she is past-oriented and marvellously fluent at sensuous descriptive writing; *but she is* much less afraid of dialogue and dramatic confrontations (she also writes rather good radio plays) and somehow she manages to get inside the skin of her poetic protagonist, and to make us pity him in his isolation.

Russell Hoban began life as an illustrator and then made his *name as a writer of children's* books, but with *The Lion of Boaz-Jachin and Jachin-Boaz* he whimsically reached an adult audience as well, and one could see a cult beginning to grow. *Kleinzeit* (Picador 80p), its successor, was my first visit to Hoban-land and I found there a sympathetic zany wit putting one in mind of Thurber.

His *trick of making abstract* ideas and inanimate objects talk becomes tiresome after a time but, with the help of the Orpheus legend and Thucydides, he manages to provide some welcome escape routes from the hospital nightmare. An entertaining book to read—after one has been discharged.

ANTHONY CURTIS

COMPANY NOTICES

THE SCOTTISH AGRICULTURAL SECURITIES CORPORATION LIMITED

3½% Debenture Stocks, 1963-93
Notice is hereby given that the REGISTERS of the CORPORATION's above mentioned Stock will be CLOSED for TRANSFER and REGISTRATION from 19th to 30th April, 1976 both days inclusive
By Order of the Board.
H. J. McTurk, Secretary.
48 Palmerston Place,
Edinburgh, EH12 5BR
3rd April, 1976.

PUBLIC NOTICES

CITY OF STOKE-ON-TRENT

£750,000 bills maturing on 1st July 1976 were offered and issued on 1st April 1976 at an average rate of 8[illegible]% p.a. Total applications for the issue amounted to £6,000,000 and these are the only bills in issue.

Travel

Country style

BY SYLVIE NICKELS

THERE IS something about East Anglia. I don't think it is entirely East Anglian prejudice that makes our skies seem just that bit bigger and better than many other people's, our inns more authentic, our churches more original, our vegetables fresher and fish tastier, and our countryside more subtle and infinitely spacious.

We also have sensible views about the speed at which life should be lived. A long history of coping with often incontinent rivers on one side and an unpredictable sea on the other has taught us to be philosophical. The elements are what they are. Eventually the orchards will blossom again, the sea will yield its gleaming harvests and, in due season, tawny fields of corn will provide as heady a sight as they ever did.

The pace is reflected in the sort of activities that match the environment: boating, angling, bird watching, walking, painting, listening to music.

You can hire a cruiser or yacht and drift along any of over 250 miles of the Broads, or chug by motor cruiser through the 170 navigable miles of Fenland Waterways, or charter a venerable Thames sailing barge. Hire charges starting at about £110 or £120 plus VAT per four-berth cruiser in late July/early August drop to from £70 or £80 in less crowded June when the days are longest or September when they are still quite long and the river mists mingle with the tang of smoke from burning stubble.

If you like walking, the rewards are great if you have a sense of history, a liking for wide horizons and are not discouraged by mud. The Roman (probably) Peddar's Way cuts right across the East Anglian bulge; so do the northern stretches of the even older Icknield Way. Both converge on tiny Holme-next-the-Sea on the north Norfolk Coast, from which a ferry is thought to have carried travellers over the Wash to similar beaten tracks in Lincolnshire.

These routes follow East Anglia's modest high ground, skirting what was once a vast, soggy and unproductive wilderness. They go on for scores of miles, part lane, part main road, part walking track, and from them you can diverge to visit places like Castle Acre with its ancient history priory ruins and far more ancient earthworks, Swaffham's Regency elegance and lively Saturday open air market, the Stone Age flint mines of Grimes Graves, Thetford Forest and Thetford's various historic remains.

There are, of course, shorter walks: a few miles of Roman road, for example, now a favourite Sunday stroll over the Gog Magog hills just south-east of Cambridge; and the several miles of Devil's Ditch, an ancient defence work from which there is a great view of Newmarket Racecourse where it flanks a stretch of Icknield Way (now the A11).

Various packages are devoted to the interests of bird-watching enthusiasts, especially in spring and autumn. But there is plenty of feathered activity at any time and it's amazing how many unlikely people get bitten by the bird-watching bug if they happen to visit such coastal nature reserves as Blakeney Point or Scolt Head in north Norfolk or, inland, chance upon the Ouse washes.

The Washes—21 miles of them stretching between Earith and Denver—were created by a Dutchman, Cornelius Vermuyden, who was the one finally to control the excesses of the Ouse in the 17th century, re-directing part of its waters and eventually turning the East Anglian map into a chequer-board of man-made channels. They go by such horrid names as the Hundred Foot Drain and Middle Level Main Drain. But migratory birds love the area which attracts anything from black-tailed godwits to Bewick's Swans; so do anglers who sit for hours huddled under their green umbrellas; and so do walkers who stride the banks with the winds (we have more of those than most people too!) grabbing at their hair, and with the near-certain knowledge they will not run into a horde of sightseers.

Ellingham Mill on the river Waveney, Norfolk

Contrary to rumour, it is not all flat. Norfolk and Suffolk have the East Anglian Heights curving through them, reaching all of 300 feet, and providing hollows for woods to flourish in and fair contours for delicious market towns and villages to snuggle into. Lavenham is the best known, but there are dozens of others like Diss, Eye, Framlingham, tiny Kersey, Clare, Cavendish, or East Bergholt in the Stour river country that Constable painted so indefatigably.

Suffolk has most of those splendid Perpendicular Wool Churches dating mainly from the 15th and 16th centuries when wealthy wool merchants had money to burn, and probably a desire to ensure themselves a place in heaven. But there are humbler churches which are no less remarkable, with their flinty round towers (especially in Norfolk) or carved "angel" roofs (notably Mildenhall, Blythburgh, March), or a huge and airy simplicity, such as at Walpole St. Peter, back in the flatlands near the orchard country and old river port of Wisbech.

The hostelleries are just as varied. I doubt if the tap room of the pub in Burnham Thorpe, Norfolk, has changed that much since Nelson quaffed beer in it. And few places can compete in age with the riverside Ferry Boat Inn, Holywell, near St. Ives, which has a ghost and a licence both dating from the 11th century. There are inns where Charles Dickens stayed, like the Angel at lovely Bury St. Edmunds; and museums in famous homes such as Gainsborough's in Sudbury. And you can study anything from pre-history in the reconstructed Iceni village at Cockley Cley, near Swaffham, to polar exploration at the Scott Polar Research Institute in Cambridge.

Our beer is good, and we like our food fresh, whether it's a salad of samphire just picked along the Norfolk coast, or vegetables straight out of the black Fenland soil, Cromer crabs or Orford oysters. Yes, there is definitely something about East Anglia.

Further information: East Anglia Tourist Board, 14 Museum Street, Ipswich, Suffolk, whose excellent East Anglia Guide 1976 costs 35p.

Your weekend £: Austria 33.50, Belgium 75.25, France 8.65, Italy 1,555, Greece 64.50, Spain 120.5, Switzerland 4.66, U.S. 1.86. Source: Thomas Cook.

Gardening

Round and round the gardens

BY A. G. L. HELLYER

THE GARDEN visiting season is about to begin and despite the hard times it promises as many treats as ever. A few gardens drop out each year as they change ownership or their old owners no longer find it possible to maintain the standard they would wish, but others take their place and the total number shows little change. Both the big charity lists are to hand. The National Gardens Scheme with over 1,200 gardens in England and Wales (there is a separate scheme for Scotland), and the Gardeners Sunday Organisation with just on 350. Some garden owners open for both charities, but not on the same day, so this spreads the opportunity to see some of Britain's most fascinating gardens, many of them made and largely maintained by amateurs.

In addition there are a great many gardens that open for other charities, including the British Red Cross, many more that open for themselves as the only means of keeping the gardens running, and further highly important lists of gardens maintained by the National Trust, the National Trust for Scotland, the Department of the Environment and various municipalities and public bodies. I have no means of calculating what the gross total is but I believe that it must exceed 2,000.

From such a vast number it would be ridiculous to attempt to select a few as the best: "best for what?" would be the obvious retort and there are so many facets to garden making that the answers to that could take several articles. But I do think that it is worth mentioning a few that in their different ways are very good and yet for one reason or another are not so well known as they should be.

There is, for example, Borde Hill in Sussex, just north of Haywards Heath, a perfect example of a 20th century collector's garden made with great good taste in a lovely setting. The mansion is early 17th century and beautiful, but the garden as visitors see it to-day was only started in the late 1890s and really got into its swing after the first world war. This was a period when plant collecting was at its height and many of the finest discoveries of E. H. Wilson ("Chinese" Wilson as he came to be known since so much of his time was spent in that country), Reginald Farrer and Frank Kingdon-Ward found their way to Borde Hill.

Most of them grow there still, many under the original collector's numbers, and very exciting some of them are. There are great numbers of rhododendron species, many magnolias including the largest tree kinds, and a bewildering variety of trees and shrubs including some that one would normally expect to find only in those gardens that get the full climatic benefit of the Gulf Stream. Borde Hill also maintains an excellent little nursery from which many of the plants admired in the garden can be purchased.

Then in a totally different category is Arley Hall near Northwich in Cheshire, a garden that won one of the plaques offered last year by the British Tourist Authority in the competition run as part of its contribution to Architectural Heritage Year. The house looks Jacobean but is in fact Victorian and the garden was made at the same time. It contains a pair of the finest harbaceous borders in the country and a plan dated 1846 shows them exactly where they are to-day. I believe that these must be among the first borders of their kind ever planted and it is astonishing to realise that they were planned on such a scale from the outset. There are many other good things in this garden including a superb collection of old fashioned and species roses. Quite recently the whole of the very large walled kitchen garden has been redesigned as an ornamental garden as an additonal attraction to visitors.

I wonder how many garden lovers noticed a few weeks ago the rather brief references to the death of Percy Cane. He was our oldest professional garden architect and during his long and intensely busy life he had exerted a powerful effect on garden design, both by example and by writing. I hope that a lot of people will go to see Percy Cane gardens this year and will not only enjoy them, as I think they are bound to do, but will remember a man who obtained little official recognition, though he never lacked the admiration and gratitude of the many clients for whom he worked. One of my favourites is Hungerdown House near Chippenham, a middling sized garden and a fine example of his style. I see it is opening this year for the National Gardens Scheme and for Gardeners' Sunday. Other fine Cane gardens more frequently open are Dartington Hall (much of the stone work in and around the courtyard is his and the glades around it) and Falkland Palace. I think the most dramatic garden he ever created was for Lord Lothian at Monteviot near Jedburgh, but I have been unable to discover that this is open to the public.

Here are a few addresses that could be of help to those anxious to visit some fine gardens during 1976. The National Gardens Scheme is at 57, Lower Belgrave Street, London, S.W.1, and the price of its guide is 35p from bookstalls or 45p by post. The Gardeners' Sunday Organisation office is at White Witches, Claygate Road, Dorking, Surrey, and its guide costs 15p (25p by post).

The central office of the National Trust is at 42, Queen Anne's Gate, London, S.W.1, but there are also numerous regional offices. The National Trust for Scotland operates from 5, Charlotte Square, Edinburgh, and Scotland's Garden Scheme from 26, Castle Terrace, Edinburgh.

Waking up a tired lawn

THE TIME is right for making new lawns and rejuvenating old ones. Turf can be laid or seed sown, the advantages of the latter being relative cheapness (one ounce of seed per square yard is ample at this time of year) and the possibility of varying seed mixtures to suit soil and site. But turf is quick and purpose-grown turf is now available on a netting base that enables it to be delivered in long rolls like carpet and laid in much the same way. When a new lawn fit for use in a few weeks is required turf is the only answer.

After the winter many established lawns are looking shabby and have acquired a fairly dense undergrowth of moss. Two kinds of moss killer are available, one based on sulphate of ammonia and sulphate of iron, the other on a mercurial compound, calomel. Both are effective but fairly expensive and unless moss has been a long standing problem it may be wise to try ordinary feeding and aeration first. Winter moss tends to die out of its own accord as growing conditions for grass improves and can be helped on its way by good cultivation.

Do not set the lawn mower blades too low for a while—one inch is ideal if that is tolerable, but three-quarters of an inch will do if a closer cut is necessary. A little extra length on the grass leaves them more chance to manufacture food for themselves and so build up the strength of the turf.

Raking is necessary to pull out dead grass and other debris lying under the green surface and forming a mat which suffocates the roots. A spring toothed rake should be used or better still a power driven rake if one can be hired for a day or so. This, set low, will cut into the soil a little and let in air, which must otherwise be done by pricking the surface with a fork or using one of the various spiking devices.

A high nitrogen compound fertiliser should be applied after raking or spiking. The amount will depend upon analysis and in general high ratio fertilisers (say one with 20 per cent. nitrogen, 10 per cent. phosphoric acid, and 10 per cent. potash) work out cheaper than low ratio fertilisers. But they do require more careful application as an overdose can cause scorching.

Finally a few days after feeding use a selective lawn weedkiller either for spot treatment of weeds if there are only a few, or all over if this seems necessary.

ENTERTAINMENT GUIDE

OPERA & BALLET

COLISEUM. 01-836 3161. ENGLISH NATIONAL OPERA. Tonight 7 & Wed. 6.30 Don Carlos ...

COLLEGIATE THEATRE ...

COVENT GARDEN ... THE ROYAL BALLET ...

SADLER'S WELLS THEATRE ...

THEATRES

ADELPHI THEATRE ... ALBANY ... ALDWYCH ... AMBASSADORS ... APOLLO THEATRE ... BROADWAY ... CAMBRIDGE ... COMEDY THEATRE ... CRITERION ... DRURY LANE ... DUCHESS ... DUKE OF YORK'S ... GARRICK ...

THEATRES

GLOBE. 437 1592. Evenings 8.00. Matinee Wed. 3.00. Sat. 5.00 and 8.15. TONY BRITTON ...

THEATRES

ROYAL COURT. 730 1745. Evenings at 8. Saturdays 5 and 8.30. ...

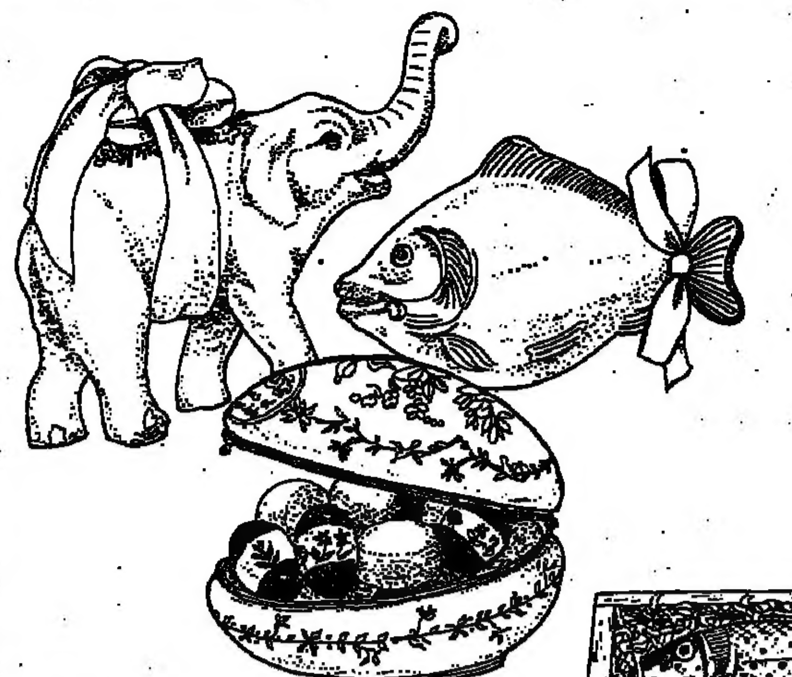
CINEMAS

CINEMAS ARE CONTINUED ON PAGE 10

هكذا من الأهل

...w to spend it by Lucia van der Post

Photograph: Trevor Humphries



Left: The chocolate elephant carrying a load of foil-wrapped eggs is 12 inches high and costs £2.80.

The fish in the middle wtih the bow tied round his tail measures 8 inches long and costs 85p.

The porcelain egg, shown here filled with chocolates, could be used afterwards to *hold jewellery or other* trinkets. £4.50. Unfortunately all these three items are too fragile to be posted so are available to personal shoppers only.

Below: Two chocolate trout gleaming in foil in their wooden crate. £1.30 (p+p 32p).

Happy Easter Presents

AS USUAL there are so many good ideas around for Easter that it is impossible to do more than show a sample of some of the newer things.

Robert Jackson, of Piccadilly, have brought out their spring news sheet and it is full of Easter things and is charmingly illustrated as well. This year they seem to be specialising in animals and a whole menagerie of them, from the traditional bunnies and fish to less obviously Easter-like swans and elephants, are available in chocolate.

The chocolate trout wrapped in bluey, silvery foil are packed into miniature wooden crates and, though expensive (at two trout for £1.30), the chocolate is delicious and the whole package very enticing.

There are also less ephemeral Easter suggestions on the sheet —things like a straw basket with a pretty fabric hen to keep your breakfast eggs warm, egg-cups of all shapes and sizes, some straight and simple, some full of wild fantasy. Send a stamped addressed envelope to Jackson's, 171, Piccadilly, London, W.1, for the news sheet. It is particularly useful for out of London readers as they will send almost everything by mail.

For a small Easter present Noyadd Rhulen of Builth Wells, Powys, Wales, sell little hand-made patchwork egg-cosies. They cost 69p each or £3.40 for a set of six (including postage).

Conran of 77/79 Fulham Road, London, S.W.3, are selling little light decorated metal eggs for only 35p each—they would make lovely containers for small treasures or for even smaller chocolate eggs. Six eggs can be posted for 15p p+p.

Halcyon Days of 14, Brook Street, London, W.1, is, as usual doing a special 1976 Easter Egg, the fourth in the series. Enamelled on copper in Bilston, Staffordshire, and coloured by hand it shows a typical Easter scene of bunnies romping against a background of trees and flowers. These eggs will only be produced until 30th April, 1976, when all the design material will be destroyed. They are £12.90 (p+p 30p) and come in their own velvet-lined case.

Also at Halcyon Days there is what they call an "Eggstraordinary eggshibition" on until April 9 only. They are a collection of eggsquisite (it's catching!) hand-painted eggs of all sorts.

The range of styles, techniques and materials is enormous and I can only urge you to go and see them. To wet your appetite two of the eggs are shown here below.

Caroline Ebborn did these two pen and watercolour paintings on 2 inch diameter sycamore eggs. They are both at Halcyon Days where they form part of the Eggstraordinary Eggshibition. On the left is Nessie, £22, on the right is Owl, £25.

A personalised dress for a chic summer

...seldom that the How ... It Page runs a special ... I am particularly ...bout doing it in the ...ld as it is not easy to ...hing we can offer that ...he established manu- ... with big resources, ...ready doing.

... when Bea Phillips ...me and showed me ... of her hand-loomed ...om Thailand and the ...rkmanship that could ...d it seemed to me to ...ding her to do us a ...nancial Times dress. ...see it, in black with ...er-stitching and in ... black over-stitching, ...tographs above.

... who has been follow- ...shion magazines and ... know by now that ... any one of many ...ok and dress to-day, ...ng the recurring ...is year there has ...n the classic dress, ... but finely-detailed ... can be worn in any ... number of different

... everybody, from the ...esigners down to the ...off merchants, has ...lassic simple street ...he Financial Times ...not claim to be wildly ... However, we have ...t trouble to get the ...ght and think that, ...mind the quality of ...h, it is exceptional

...ffering the dress in three colours. Black with white over-stiching, white buttons and black straight cotton belt. Strong, clear cherry red with white buttons, white overstitching, and red straight cotton belt. White with black buttons, black overstitching and white straight cotton belt. The cotton being hand-loomed means that the white is not the brilliant white found in synthetic materials but a more natural, almost off-white.

The dress will be available in standard sizes 8, 10, 12, 14 and 16 and, though it is fairly straight, it has an "ease" of fit which should make it suitable for most shapes and figures. All the dresses will measure 28 inches from waist to hem, which means most people will have to put the hems up, but in this way we can cater for a wide range of heights.

The material is 100 per cent hand-loomed cotton from Bangkok and it can be washed or dry-cleaned. If washed in a machine some care should be taken over choosing the programme due to the over-stitching — don't use a programme that is too hot or too fierce.

As a final *pièce de résistance* every dress will have on its left breast pocket the initial of the reader's choice and as this embroidery is done by hand you must expect a four-week delay between us receiving your order and you receiving the dress. However, the weather is only now beginning to warm up a little and by the time you receive the dress, if you order it now, it should be early May, just in time for that perfect summer we are hoping to have.

The dresses cost £15 each (plus 40p p and p) which, given the detailing, the quality and the finish, seems to be exceedingly good value. They aren't cheap because neither the material nor the workmanship is cheap, but I don't know of better value.

The dress can, by choosing the right accessories, look either very casual or very dressy—it has that kind of go anywhere appeal that should make it the standby of any summer wardrobe. The girl on the left has added a fine woven French belt in black (£9.65 from Barker's of Kensington High Street, add 9p post and packing), a fine natural straw Safari hat by Milano (£2.99 from D. H. Evans of Oxford Street and Liberty's of Regent Street) and a clutch bag made from a combination of raffia and leather by a new young designer called Sarah-Lou (£7.50 from Liberty's of Regent Street).

The girl on the right has a more sporty air about her and with her dress she has put a red and white cotton kerchief (55p from Barker's of Kensington High Street, 9p post and packing), a red canvas belt (in many colours £1.50 from Browns of South Molton Street, London, W.1, 30p post and packing) and a canvas and cowhide shoulder bag by *Sarah-Lou (£15 from* Liberty's of Regent Street). Her raffia bracelets are by Adrien Mann and are available at Peter Robinson shops and Harvey Nichols.

For those who would like to order one or more of the dresses, please fill in the form below, remembering that £15.40 is the total sum for the dress and the postage and packing.

Cheques and postal orders should be made out to the Financial Times.

To: Financial Times, Summer Dress, Bracken House, London, EC4P 4BY.
Please send me the following Dress/Dresses: I enclose my cheque for £

SIZE 8		10		12		14		16	
Colour	Initial	Colour	Initial	Colour	Initial	Colour	Initial	Colour	Initial
AMOUNT									

Name.. Address..

....

(Block letters)

...Phillippa Davenport has some entertaining ideas for April

...courses, I'm always ...hes that can be made ... *Humous bi tahina* ... been one of my ...a faintly exotic but ...sive cold dip for ...r hot unleavened ...ad. You simply cook ... and reduce to a ...ning the puree with ... (available from ...y, health stores and ... grocery shops), ...h lemon juice, olive ...nd black pepper and spring onions for extra colour and flavour. Toss to mix thoroughly and leave to cool before serving.

Beef is full of flavour and a good buy just now. At about £1 per lb. boned and rolled topside is a no-wastage cut that seems to me an excellent dinner party choice, but do marinate before cooking to break down any tough fibres and allow flavours to be absorbed.

Roast topside with mustard and horseradish sauce is very much a party dish, and particularly good if served with *potatoes boulangères* and *braised fennel*. Slice the potatoes very thinly and put them in a large shallow, well-buttered dish, sprinkling a little salt, pepper and crushed garlic between layers. Top the dish with flecks of butter. The potatoes will take 1¼-1½ hours so start cooking them first and add the beef later. Don't use a roasting pan for the meat, but put the joint directly on the top oven shelf, immediately above the dish of potatoes so that the meat juices drip on to them. I like beef medium rare so I allow 18 minutes per lb.—starting with 15 minutes at 425 F, gas mark 7, then completing roasting at 375F, gas mark 5.

Florentine fennel is a gourmet vegetable, but fast becoming more widely available and more reasonably priced: delicious cut in half and braised in a covered dish with a little oil, butter, lemon juice and black pepper.

For the sauce to accompany roast beef, simply stir French mustard and freshly grated horseradish (or a few tablespoons of commercial horseradish sauce) into a carton of sour cream. Add a little lemon juice to taste and serve cold.

... economic and ...rter is *mussel salad*. ...ussels is hard work, ...ut at about 18p per ...re marvellous value ...s, well worth the ... the mussels until ...then remove shells ...to a dish of warm ...s been cooked with ...n or vermouth. Add ... chopped parsley, ...green pepper and ...

Silverside and brisket of beef are even cheaper than topside. Either make an excellent *pot-au-feu*, which I find a very useful dish: it involves little work, can be eaten hot or cold, makes a perfect lunch party dish and is an ideal answer when coping with the gigantic appetites of school children on holiday. Simply simmer the joint gently (about two hours for 2½ lb.), adding vegetables towards the end of cooking time. The wider the selection of vegetables, the more colourful the dish will be and, even if you lash out on a few luxury vegetables, the higher the proportion of vegetables to meat, the more economic the final dish. I use about 4lb. vegetables to 2½ lb. beef, leeks, parsnips, potatoes (or dumplings), new season's baby carrots, a few *mange-tout* and hot-house French beans. For spectacular looks, serve the beef on a large dish surrounded by groups of vegetables, and offer *vinaigrette a l'oeuf* separately.

As for puddings, rhubarb is abundant and cheap; bananas, pears and oranges are plentiful too. But I'm in favour of egg and milk puddings just now—things like *crème caramel* and *crème à la Norrège* and that Cinderella of *puddings*—junket, which is a real treat if flavoured with coffee and served with *rum-flavoured cream*.

Here are two suggested menus:

- Mussel salad
  Beef with mustard and horseradish sauce
  Potatoes boulangères and braised fennel
  Rum junket
- Humous bi tahina
  Beef pot au feu
  Crème caramel

Property and housing

Voices of spring

BY JOE RENNISON

SPRING has a strange effect on some people. It is rather like *a heavy wine taken on an empty* stomach. Apart from a young man's fancy and all that, this particular intoxication makes some folk do and say the *strangest* things. Part of the trouble is that the human psyche has absorbed a fixed set of reactions to the season, not realising that, in many respects, springs ain't what they used to be.

At least that is what seems to happen in the property world. Tradition dictates that as Easter approaches so there is increased activity among house purchasers—usually accompanied by an increase in prices. The belief is it will happen again this time. That it has not happened for the past couple of years does not prevent the folk memory of happier times recurring when the sap begins to rise.

Little evidence

Thoughts on this subject were occasioned by a article in a certain property magazine, the gist of which was that agents are expecting a house price boom. Either I had missed something or this very definitely smelled of excess. Or perhaps the people responsible seemed to have talked to different sources for their information. But there does seem very little evidence for such a sweeping assertion while no doubt the property market has been in a healthier state in the past six months than it has been in the past two years it is going too *far to say that a boom is* imminent.

It depends on one's definition of a boom but comparing annual figures for the last boom in *1972-73, anything less than a 20* per cent. increase in prices must be considered just normal movement. But even movement at that level just simply will not occur.

The time is not ripe. How could it be otherwise when we are in the depths of an economic recession with real incomes falling, and the rate of inflation still far too high even though it has dropped in the last few months. The prospects for significant wage increases when the next round of negotiations comes up seem very slim indeed.

There have been varying forecasts about the level of unemployment in the coming months but it seems certain that we will not be significantly better off. I cannot *reconcile rising house* prices with these kind of economic conditions. Tell an unemployed metal worker in the West Midlands that; tell an unemployed man in one of the London boroughs where the numbers out of work are considerably higher than in the so-called development areas; tell it to any number of people in several areas of the country and it must have something of a hollow ring. Similarly, tell it to the man who is in full employment and has had a modest pay increase in the last 12 months but whose standard of living has been hacked into by rising fuel bills and rates demands and he might wonder at the logic of this reasoning.

It is true that the market is not all of a piece. The varying sectors within it operate in *different ways. At the lowest* end of the price bracket there most certainly have been increases varying between 5 and 12 per cent. depending on *which source one goes to for an* opinion.

In the middle range, say from £15,000 to £30,000, there has been remarkably little movement now for a very long time. And it is just in this sector where owners seem to have been hit hardest by having their traditional income differentials eroded. At the upper end of the market prices have really tumbled and even now some agents are reporting that they have not reached the bottom.

Against this it must be said that in the *last six months*—and longer than that at the lower end of the market—there has been a greatly increased turnover in all kinds of houses *compared with the dog-days of* 1974. There has been a return of confidence in buying for several reasons. Some people want to buy now because they feel that never again will they get such a good bargain. Others fear a price boom and do not want to be caught out in a 1972 type scramble. The fears of these latter are not justified and they could afford to be more choosy and wait for the perfect property.

An increase in activity does not necessarily mean an increase in prices generally. At present and for the immediate future it is only logical that this should be so. Houses have to be paid for, mostly with borrowed cash, and if incomes are not *rising* the amount that people can borrow will not rise.

It would seem that the building societies will grant about 100,000 more mortgages in 1976 than last year and this would mean 70,000 more than in the boom year of 1972. It has been part of the conventional wisdom of the market apparatus that when the building societies are flush with funds and are willing to lend then prices must automatically go up. Now this has never been true and did not even strictly apply in the boom years.

Building societies can only take limited action in preventing runaway prices. They can lend or rather offer to lend to only six people where they might have offered to lend to twelve before. But six people after the same house who are certain of what they can afford will cause just as much of a price boom as twelve people chasing the same house. The fact that this is not happening *shows that the money that is the* basic income, is just not there as collateral against the debt.

Naturally there are some fears about the low level of *building activity which may* cause shortage of new houses. In this situation traditionally it would have pushed up prices. But there is no shortage of second hand houses and it is the buying and selling of these that creates the market. So even though there might be shortage of new stock it is unlikely to have a significant effect on price levels.

Wage increases

There are some imponder*ables about the state of the* market in the next six months The agreed level of wage increases has yet to be decided but I think it can be confidently predicted that they will not be significant. It would seem that it is certain that the building societies will reduce their rates of interest next month.

This naturally would have some effect on the market giving marginal relief on monthly payments. But is it likely to be significant? At the present rate of inflation would not this mar*ginal relief be wiped out after a* few months. There is also the possible prospect of tax relief being limited to standard rate tax levels and this would have a further dampening effect on the middle sector of the market. Taking the market therefore, against its broad economic background the prospects for a boom in prices seem exceedingly remote.

The above property provides a good example of how shy *buyers have become of taking on a house which* needs extensive renovation. Increased building costs and the hidden snags that may appear are great deterrents. Abbey House in the Itchen Valley originally received an offer close to the asking price of £61,000, subject to survey. The survey, *however, revealed several defects. The price was immedi*ately reduced but it took another six months for it to sell at about half the original asking price.

The following are the reactions of certain agents round the country to the hints of a boom. Jeremy Blanchard of Hunbert, Flint, Rawlence and Squarey, writing in its house magazine, comments on the top end of the market. He points out that the firm have had 132 per cent increase in sales last year of properties between £30,000 and £50,000. But he points out that only two years ago many of *these had been sold and valued* at figures between 30-100 per cent. higher. He urges vendors not to cling to past hysterical prices and aim for a realistic valuation. He is confident that the market will do better in the coming year but not significantly so.

Down in the plush New Forest Paul Jackson of Jackson and Jackson points to a greatly increased number of sales and returning confidence. But he adds that although prices have been up slightly there is certainly no sign of a boom in the short or the long term. The same message comes from the West Country agents Legrands who point out that there have been no significant increase in prices but that people certainly have a better chance of selling their property now than they have had for the last two years.

Barry Phelps, of the National Association of Estate Agents, and who is in daily contact with agents from all over the country came out even more strongly against hints of significant rises. According to him prices are static although there have been very marginal increases in *certain pockets of activity. He* points out that there is still an enormous backlog of property to be sold which should see us through the rest of this year, and that this will prevent rises so that a property particularly at the lower end of the market will be "a damn good buy" for at least the rest of this year.

Good year

Perhaps the situation is put most succinctly by Jason Salter, of *Gross Fine and Krieger* Chalfen. He expects that the residential market will have a good year in 1976, as long as any price increases requested by vendors are of a nominal nature. If asking prices increase too rapidly, the current demand is likely to disappear overnight.

Two agents disagreed with the general consensus. The first was Paul Spencer, of Henry Spencer and Sons of Sheffield. He argues that space is at a premium in this "largest village in England" which is hemmed in by industry, coalfields and National Parks and it is only to be expected that prices will rise faster than the national *average. The most bullish com*ment came from Jeremy Agace, of Mann and Co., who confidently predicts that there will be a 20 per cent. increase shown in most properties up to about £30,000 before the end of the year.

We must agree to differ.

MPs 'failing to uphold law'

"THE FIRST duty of a democratic Parliament is to maintain law and order to protect law abiding citizens and deter potential criminals and I am convinced that British Parliament has failed in this prime responsibility," Mr. Teddy Taylor, MP for Cathcart, Glasgow, writes in "Q," the Scottish political review.

Politicians appeared reluctant to discuss crime with the relish with which they discussed abstract constitutional or ideological issues.

"We are tending to attract more of the people who know all the facts about life and all the statistics, but none of the truths."

Tories demand NEB pledge

THE right-wing Selsdon group in the Conservative Party yesterday challenged Mr. Michael Heseltine, Shadow Industry Minister, to give "a cast-iron" assurance that the next Tory government would abolish the National Enterprise Board and denationalise steel.

It follows a report yesterday by Mr. Russell Lewis, former director of the Conservative Political Centre, that the Tories Industrial Policy group had decided to retain the NEB.

Mr. Heseltine has already brusquely denounced the report as "rubbish."

The Selsdon group have urged him to "take the earliest opportunity to clear up uncertainty on the matter once and for all."

Skytrain case next month

THE CHALLENGE by Mr. Freddie Laker, chairman of Laker Airways, to the Government's decision to cancel his Skytrain licence, will be heard in the High Court next month.

At a brief court hearing in private yesterday, Mr. Laker pressed for an early trial of his claim that the decision is contrary to the Civil Aviation Act, 1974.

The Department of Trade, whom Mr. Laker is suing, did not offer any strong objection and Mr. Justice Mocatta said that the matter should be heard in the Commercial Court on May 24, or during the week following.

HONORARY DEGREE FOR JANET BAKER

Opera singer Dame Janet Baker is to be given the honorary degree of Doctor of Music by Hull University on July 9. Dame Janet was educated at York and Grimsby.

James Baldwin, the American writer, whose publications include "Go Tell It on The Mountain" and "The Amen Corner," will receive the degree of Doctor of Letters.

HOME NEWS

ICI to seek price rises as raw materials go up

BY RHYS DAVID, TEXTILES CORRESPONDENT

A WARNING that the *fall in the* value of sterling would add to ICI's bill for imported raw materials and intermediates was given by Mr. Rowland Wright, the chairman, at the annual meeting yesterday.

He told shareholders that even without this sterling factor the company faced rising prices for naphtha, the key raw material *for petrochemicals, plastics,* fibres and many other products. As a result it would be necessary to press for higher selling prices if the company was to recover costs and improve its profits.

Mr. Wright pointed to the effects of inflation on ICI's business and, in particular, the increases in the cost of constructing plant. Since 1970 the cost had *more than* doubled and in 1975 it was 28 per cent. up on the previous year.

"*Inflation also brings with it* an increased demand for extra working capital. We shall need £200m. more this year than in 1975 which means that much less will be available for new fixed assets," he warned.

In 1975 the company spent more than £400m. on fixed assets and increased working capital and sanctioned a further £390m. It is expecting to maintain broadly the same levels of expenditure this year.

The amount sanctioned is expected to be around £360m. and *expenditure over £400m.,* with a further £80m. due to be spent on Ninian oilfield development.

Mr. Wright emphasised that to remain competitive ICI would *be aiming* to improve its business efficiency and would be looking closely at the value of products produced ar person employed, par the U.K.

"This is still a lower than the figur by our competitors. put per person emplo of our top priorities

The company, a other major concer *industry, now sees* s that the bottom of t has been passed, w improvements in volu of restocking by cons tries.

Mr. Wright said f world chemical prod cate output at about higher than in 1975, U.K. ICI believes ch duction is likely to a much lower level.

Uncertain outlook for FNF(

BY KEITH LEWIS

THE OUTLOOK for First National Finance Corporation, the secondary banking concern, is described by chairman Mr. J. P. R. Glyn in the latest set of heavily qualified accounts as particularly unpromising.

The accounting firms of Touche Ross and Co. and Deloitte and Co., state in the auditors' report that they are unable, in view of the uncer*tainties surrounding the group,* to form an opinion on whether the accounts to October 31, 1975, present a fair picture.

Earlier references were made by the auditors to the loan *facility of the Support Group of* the Bank of England and the Clearing Banks—£350m. at the balance sheet date, and now around £300m.—and the right of that Group to demand repayment at seven days' notice. Also in question were "*the bases, calcu*lations and assumptions used in evaluating the security for, and the provisions in respect of loans, guarantees and other commitments."

"The chairman admits *that the* acquisition of London blocks of flats "has proved disastrous." The Board states in the report *of directors that FNFC will con*tinue in business but will eventually disengage itself *altogether* from the property sector "in which it has suffered so severely."

Mr. Glyn concludes that "the general outlook is unpromising and our own position particularly so. When liabilities exceed earning assets by such a significant amount, the restoration of overall group profitability can only be difficult."

First National, wh and managing direc Matthews resigned made a loss after p £83.2m. in the ten mo October, compared w just under £6m. in t year.

£8m. extra for the arts

BY B. A. YOUNG

THE GOVERNMENT'S grant in aid to the Arts Council for 1976/1977 will be £36m., with an additional grant of £1.15m. for housing the arts.

This is an increase of £8.58m. over the total grant last year, and is more than the Arts Council expected. Last year's initial grant was £25m., but supplementary grants had to be made during the year because of the exceptional rate of inflation in the theatre and similar businesses. The ultimate figure was £28.57m.

Mr. Hugh Jenkins, Minister for the Arts, called the new grant, which is contained in the Supplementary Estimate published yesterday, "very encouraging at this time of stress."

All the same, the sum will be no more than adequate for the Arts Council's needs. Costs of materials and wages have risen at an alarming rate in the theatre, and last year there was a constant threat that some small companies might have to close down.

The outlook is better now not only for actors and theatre staff but also for writers, who may hope for more generous treatment. But there cannot be a tide of new activities such as arose during the boom years of the late 1960s and early 1970s.

In addition, the Government has made an increase of £21m. in the sum available for national museums, galleries and other arts bodies. The total amount for these is now £46m.

Scottish A job ad. wa 'misleadin

AN ADVERTISEME *recruitment of a chi* officer for the Scotti ment Agency was "because it implied ment had already Bill to establish the a such *was not* the Advertising Standard has ruled as a resul plaint by Aims for F Enterprise.

The Authority's " published in its l report. The adverti The Times, was pla consultants. Tyzack a on behalf of the Sec and it appeared on S last year.

Aims complained "very undesirable advertisement shoul be misleading but tr rules of Parliament."

Accounting firm explains rc

BY MICHAEL LAFFERTY, CITY STAFF

PEAT MARWICK MITCHELL, the leading international accounting firm, says it believes it is the firm referred to in connection with the West German Mobel Hubner Group's acquisition of the failed Bieberhaus store company, but denies that it acted in the role of investigating accountants for Hubner.

UDS Group, the British tailoring and retail concern which has a 50 per cent. stake in Bieberhaus through its half-ownership of Hubner, faces a £4m. a result of the clos Bieberhaus venture.

Peat Marwick Mitc out that its role in "was restricted to co the parties certain una and other informatior operating with the pu the negotiations whicl ducted under the dir control of officials o chasers."

STOCK EXCHANGE BUSINESS IN MARCH

Turnover in gilts falls furthe

BY GEOFFREY FOSTER

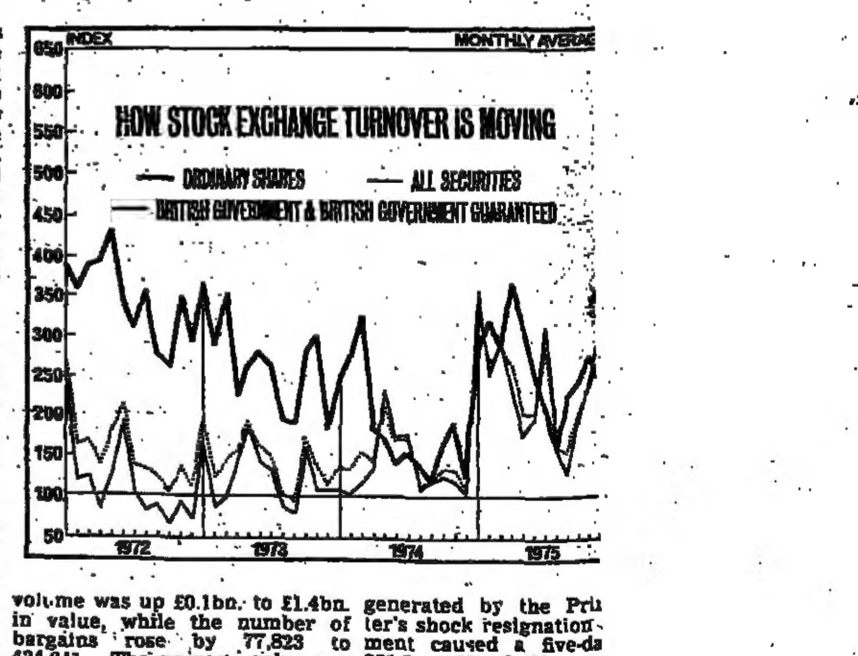
Uncertainties on several counts led to a further reduction in Stock Exchange turnover last month. Investors were in no mood to commit themselves pending both the outcome of the vote for the man to succeed Mr. Wilson as Prime Minister and next Tuesday's Budget, while confidence was further undermined by doubts about the immediate outlook for interest rates and the recent heavy falls sustained by the pound.

From January's record £16.8bn., overall trade followed February's fall of 37.6 per cent. with a further sharp reduction to £8.1bn., which is close to the *£7.8bn. monthly average for 1975.*

Gilt-edged turnover last month fell £2.2bn., or 27½ per cent., to £5.7bn. with business in short-dated stocks £1.7bn. down at £3.8bn. The number of bargains *in gilts overall improved* 4,512 to 61,720 but those in short-dated issues were down 1,230 to 23,791; this compares with January's 28,238. The average value per bargain in gilts as a whole was reduced to £161,507 *from* £222,052.

The FT Government Securities Turnover index fell to 241.4 from January's 580.9; the 1975 average was 237.2, while the Government Securities stocks index mirrored buyers' reluctance with a loss of 1.03 points (nearly 1.8 per cent.) to 82.43 from the end-February level of 83.46. The 1976 high was 85.21 on January 30.

Trading activity in equities, on the other hand, managed to improve slightly. Business volume was up £0.1bn. to £1.4bn. in value, while the number of bargains rose by 77,823 to 434,641. The average value per bargain, however, contracted from £3,753 to £3,349. The FT turnover index for Ordinary shares improved nearly 9 per cent. on the month to 259.8 which compares with *January's* 321.0 and the average last year of 260.9



Sentiment was governed by the same factors restricting interest in gilt-edged, and equity prices *generally* fluctuated narrowly in slack trading. The FT 30-share index had improved 5 points to 410.2 before the uncertainties generated by the Pri ter's shock resignation ment caused a five-da 391.3 *on March 22; a* ra last stages of the month 402.4, down 2.8 on February level.

Sentiment in South Golds continued to be d by political unrest certainty in that conti especially in Rhodesia the breakdown of talks Mr. Smith and Mr. Nk FT Gold Mines Index f further by 23.3 to end 160.6, some 35 per cen the 1976 high of 246.9 on January 2.

Category	Value of all purchases and sales £m.	% of total	Number of bargains	% of total	Average value per day £m.	Average value per bargain £
British Govt. and British Govt. Guaranteed:						
Short dated (having five years or less to run) ...	3,842.4	47.4	23,791	4.2	167.1	161,507
Others ...	1,862.3	22.9	37,929	6.7	81.0	49,100
Irish Govt. ...	388.1	4.8	4,075	0.7	16.9	95,231
U.K. Local Authority ...	398.6	5.0	8,154	1.5	17.3	48,879
Overseas Govt. provincial and municipal ...	12.5	0.2	1,807	0.4	0.5	6,946
Fixed interest stocks Pref. and Prefd. Ord. shares	145.4	1.8	47,574	8.6	6.3	3,057
Ordinary shares ...	1,455.8	17.9	434,641	77.9	63.3	3,349
TOTAL ...	8,105.2	100	557,971	100	352.4*	14,526*

* Average of all securities.

...rous foundry scheme ...kes good start

...UR SMITH

...ART for the Govern... e to stimulate invest... he ferrous foundry ... reported by the ... of Industry. About ... ssistance has already ... ved for capital pro... ng more than £19m.. ... nent announced yes...

...oundries have been ... one of the 30 key ... crucial to Britain's ... covery. The Chan... the Exchequer ... ... £25m. was to be ... ble to encourage new ... A further £15m. has ... llocated.

... Farrant, director of ... of Ironfoundry ... said last night that ... e from the industry ... great that applica... pipeline were likely ... for the bulk of the ... m.

...ustry was making ... to reequip itself in ... for the expected up... economy. Though ... panies were report... ved demand. Mr. ... ught that it would be another six to nine months before the ferrous sector really began to benefit from the economic expansion.

The industry, which supplies castings to the machine tool and the whole of the engineering sector, has stressed that new investment of at least £300m. will be necessary over the next five years. About a fifth of this will be required to contend with expected air pollution and environmental regulations.

Mr. Farrant said he was confident that on present trends the ferrous foundry sector would meet its investment targets.

The Industry Department reports that, of the first £4.41m. allocated, assistance has been given to 21 companies towards investment at 23 locations. The capital cost of the individual projects ranges from £28,000 to £5.2m.

Only £27,000 of the assistance approved will go to buildings, with the rest being spent on equipment. The Department says these figures reflect the expectation that very substantial improvements can be carried out in existing or only slightly modified buildings.

Rees hints at end of term

By Our Belfast Correspondent

MR. MERLYN REES, the Ulster Secretary, hinted strongly in Belfast yesterday that after the Labour leadership is decided on Monday, he expects to end his two-year term of office in the Province.

"My tour to-day could be taken as a farewell one although that is not why I am here," he said while inspecting new city centre security measures.

Mr. Rees, campaign manager for Mr. James Callaghan in the race for No. 10, said he would not know "until Monday at the earliest," how long he would continue as Secretary of State.

His remarks are being seen as confirmation of the speculation that he will move to a more senior Cabinet post as a result of the expected Callaghan victory.

His personal attack on Mrs. Maire Drumm, vice-president of the Provisional Sinn Fein, delivered after the murder of three soldiers in South Armagh this week, was also an indication that, with his impending departure, he feels free to be more outspoken about personalities on the Ulster scene.

The expected end to Mr. Rees' reign in the Northern Ireland Office coincides with what appears to be the Provisional IRA's answer to continued direct rule—a stepping up of attacks on security forces. The death of another part-time member of the Ulster Defence Regiment yesterday brought to six the number of Army personnel killed in a three-day period.

In Belfast, the executive committee of the Official Unionist Party—the largest of the three parties in the Unionist coalition—was expected last night to come out firmly against the more militant Loyalists who are urging an all-out campaign to oppose direct rule.

The 100-strong executive seemed certain to oppose any links between the political parties and Protestant paramilitary groups and to make it clear that it would not support, at present, unconstitutional action against the British Government.

This is likely to bring it into conflict with the other coalition parties and may signal the final break-up of the already shaky alliance.

U.K. North Sea oil value may total £900m. this year

BY RAY DAFTER, ENERGY CORRESPONDENT

THE VALUE of oil landed from the U.K. sector of the North Sea this year should be around £900m., Mr. John Smith, Minister of State at the Energy Department, said yesterday.

This revenue should rise to between £5.3bn. and £6.8bn. by 1980, he told Parliament.

Using the Government's 1975 forecasts of production—which are due to be revised shortly—the value of oil landed next year should be £2.1bn. In 1978 it should be £3.3bn. to £3.5bn., and *in 1979 it should reach £4.4bn.* to £4.9bn. The figures are based on current oil prices and exchange rates.

Mr. Smith pointed out, however, that the overall impact on the balance of payments would be influenced by the amount of *development equipment imported* and capital inflow.

Meanwhile, Mr. Alex Eadie, Parliamentary Under-Secretary of State for Energy, commented that Britain was playing a leading rôle in developing another energy form: the production of substitute natural gas.

The achievement of British Gas in discovering economic methods of producing substitute gas from coal was of "major international significance," he said at British Gas Corporation's Westfield Developmnet Centre in Fife.

The gas complex at Westfield was being sponsored by a group of 15 North American oil and gas companies with a total of \$10m. (£5.3m.). Apart from providing overseas work, the project provided a valuable safeguard against the day when Britain would need to augment its own supplies of natural gas

Expensive well abandoned as failure

ONE OF the most expensive exploration wells so far sunk in the North Sea has been plugged and abandoned as a dry hole.

The well, on block 29/2, encountered a number of gas "shows"—including high pressure gas in deep Jurassic sandstone—but failed to test commercial quantities of hydrocarbons. The operation has cost about \$15m. (£7.98m.).

The semi-submersible rig Venture 1 was used for the drilling—undertaken by Placid Oil and Caledonian Offshore in association with Hunt International and Viking Oil.

Placid said yesterday that the group would be studying the test results before deciding on future plans for the block 29/2.

Terry Kirk

Princess Alexandra with the two skippers of Great Britain II, the outright winner in the Financial Times Round the World Clipper Race. Captain Mike Gill skippered the Joint Services entry on the outward trip and Chief Petty Officer Roy Mullender (left) was in charge on the Sydney-London leg.

Clipper race prizes awarded

SKIPPERS and crews lined up at Trinity House last night when Princess Alexandra presented the trophies and prizes for the Financial Times Clipper Race, Stuart Alexander writes.

Accompanied by Lord Gibson, chairman of the Financial Times, she congratulated them on their record-breaking achievements and grim determination on the voyages from London to Sydney and the return to Dover.

Overall winner and winner of each leg was the U.K. joint services entry Great Britain II, skippered on the outward journey by Capt. Mike Gill and brought back by CPO Roy Mullender.

She had been chased by the Frenchman Kriter II, who was only six and a half hours behind at the finish in Sydney but was to suffer the crippling blow of a broken rudder 800 miles after the restart.

Great Britain II beat the 69-day each-way record on both legs, thus demolishing the challenge which was the inspiration of the race.

But the other competitors also put up a fine show with Anaconda II taking the second leg second prize and the little Dutch boat The Great Escape winning the prize for the most meritorious performance.

The only competitor left to finish is the Italian schooner CS e RB II which is expected this week-end.

"PATRIARCH": for the shortest aggregate time over the two legs of the race: *Great Britain II, with a new* record time of just over 134 days.

THE ROYAL OCEAN RACING CLUB CLOCK: for best corrected time, Sydney to Dover: Great Britain II. Skipper, Roy Mullender.

THE SILVER ALBATROSS TROPHY: for fastest passage Sydney to Dover: Great Britain II. Skipper CPO Roy Mullender.

THE SILVER DOLPHIN TROPHY: for the fastest passage London to Sydney: Great Britain II. Skipper, Captain Mike Gill.

THE PUNCH CORONATION TROPHY: first across the latitude line of Havana, Cuba on the second leg: won by Great Britain II.

THE "CUTTY SARK" SILVER SALVER: overall runner-up on elapsed time for the whole race: Kriter II.

THE ROYAL OCEAN RACING CLUB CLOCK: for best handicap passage time—London to Sydney: Kriter II. (Olivier de Kersauson received the prize in Sydney.)

SILVER SALVER: second across the Sydney finishing line: Kriter II.

"AUSTRALIAN" TROPHY: second across the line on the second leg: Anaconda II.

LADY SWAYTHLING TROPHY: for outstanding seamanship: Kriter II.

CENTRO STUDI E RICERCHE BUSNELLI PLAQUE: most meritorious performance: The Great Escape.

SIR FRANCIS CHICHESTER LOG BOOK: for best kept log, and LITTLE SHIP CLUB WATCH: for most outstanding act of seamanship: still to be decided.

... benefits from longer ...ss-Channel hovercraft

...AEL DONNE, AEROSPACE CORRESPONDENT

...AIL has signed a £6m. ... th British Hovercraft ... to lengthen its two ... ercraft, Princess Anne ... s Margaret, operating ... over and Calais and ...

... will be increased by ... ising their capacities ... 416 passengers, and ... 60 cars. This will ... per cent. rise in pay... nly a 15 per cent. rise ... g costs.

... cancellations will be ... d passenger comfort because the craft will ... critical wave lengths. ... also be faster crossing ... d weather.

... modifications include ... pellers for improved ... d better low-speed ... and an improved air-cushion "skirt."

The Princess Anne will go to the BHC works at Cowes next winter and return to service by the spring of 1978, when work will start on the Princess Margaret. She will be back in service by January, 1979.

The BHC which is a wholly-owned subsidiary of Westland Aircraft, employs 2,100 and has an annual turnover of more than £10m. Its total hovercraft sales have been about £60m., and it is now negotiating further business world-wide worth another £50m.-£60m.

The current cross-Channel fare structure of the SRN4 in 1974 prices is 25 pence per passenger-mile. The lengthened SRN4 will reduce this to less than 20 pence. Further developments could cut this to 15 pence.

Health separation plan unworkable—consultants

BY DONALD MACLEAN

GOVERNMENT legislation to separate private practice from the National Health Service would not be workable, without the co-operation of all hospital doctors, the Hospital Consultants and Specialists Association has told Mrs. Barbara Castle, Secretary for Social Services.

The Association recognises Mrs. Castle's right to introduce whatever legislation she wishes, but says that it would have thought that she would want to ensure that the legislation was workable.

The Association points out to Mrs. Castle that only 5,000 out of a total of 30,000 hospital doctors indicated, in a recent British Medical Association ballot, the profession's agreement to the "Goodman" proposals (reached after Lord Goodman had been asked to intervene in a dispute on the Government proposals involving industrial action by consultants).

It is argued by the Association that 17,000 junior hospital doctors (those working in hospitals below the rank of consultant) were not invited to take part in the ballot.

"Indeed, you must know," the Association tells Mrs. Castle, "there is considerable disquiet among all hospital doctors."

There is no hope of avoiding considerable difficulties, the *Association says, unless Mrs.* Castle is willing to confirm in very clear terms, that no limit will be placed on the number of beds in the private sector (which under Government legislative proposals would be subject to licensing); that pay beds and facilities (in the health service) will remain in those districts where it is not possible to provide alternative facilities for economic or other reasons; and that discussions of doctors' contracts will be reopened.

● The Hospital Consultants and Specialists Association and the Junior Hospital Doctors Association are to hold talks today on the question of federation between the two bodies, which have set up representation for doctors separate from that offered by the British Medical Association.

The big screen

EMI PATHE, a division of EMI Sound and Vision Equipment, has installed at the Southport Theatre a single-span roll-up cinema screen measuring 41 feet by 24 feet—believed to be the biggest in the U.K.

Minister rebuffs BL critics

BY JUSTIN LONG

CRITICISMS OF British Leyland workers and their apparent "death wish" attitude to industrial disputes were not accepted by Ministers when the problems of industry were debated in the Commons yesterday.

Mr. Gerald Kaufman, Minister of State, Industry, rebutting criticisms, urged MPs to take account of the "magnificent achievement" of British Leyland workers.

"They are the biggest exporters in all of British industry. They, more than any other group of workers, have been making money, earning profits and providing the wealth on which so much of the superstructure of this country rests," he maintained.

On industrial democracy, Mr. Kaufman said he had recently met more than 400 shop stewards during talks on the Aircraft and Shipbuilding Industries Bill, and only one had proposed having workers on the Board as a solution to industrial relations problems. This suggested that industrial democracy must grow from the roots upwards.

... group at ... Expo'

...T group of U.K. com... take part in the U.S. ... hibition Fish Expo 76 ... sponsored by Westmins... ...er of Commerce. The ... will be held in Boston, ... etts, from October 27-...

... and services on dis... include ships' equip... ng gear, engines and ... equipment, electronic ... s, navigational and ... ions equipment, and ... used in the processing, ... and transporting of ...

...ritish firm whose ... r services are wholly ... of U.K. manufacture ... may take part.

MPs defend crockery purchase

THE CATERING sub-committee of the House of Commons has decided that its chairman, Mr. James Dunn, Labour MP, was right to place a £12,201 order for Rosental china from West Germany in preference to British crockery.

However, it decided that in future, when the lowest tender comes from overseas, the sub-committee's authority must be obtained before an order is placed.

The German order last autumn provoked protests from MPs, the British Ceramic Manufacturers' Federation and companies such as Royal Tuscan of the Wedgwood Group and Royal Doulton.

They were particularly annoyed that the order went overseas when Mr. Peter Shore, Trade Secretary, was emphasising the need to buy British

Airport review

British Airways is considering a redistribution of its traffic pattern, whereby from about 1978 or later most businessmen would fly from Heathrow and most holidaymakers from Gatwick.

Eurobond issue

The Royal Bank of Scotland is raising \$23m. (about £13m.) in seven year floating rate notes on the Eurobond market—its first capital issue abroad. The issue will offer investors a margin over Eurodollar inter-back rates of a quarter of a percentaige point.

...NTMENTS

...bcock & Wilcox group reorganisation

...AND WILCOX, power ... engineering group ... eorganised under the ... irectorship of Mr. T. C. ... comprise the contract... and the Scottish divi... acting division (under ...) consists of Babcock ... (Operations) and ... ckham. The Scottish ... nder Mr. R. A. Arthur, ... d general manager ... roduction division at ... Dumbarton, and the ... division Mr. Dean ... rthur report to Mr. ... R. A. S. Gimson has ... ted director of mar... g, contracting divi... L. Steven becomes ... administration and ... ottish divisions. Mr. ... is now secretary of ... and process engineer... Mr. N. J. Berney suc... Holt as secretary of ... Wilcox (Operations).

★

... M. Gardner, manag... of ALCAN (U.K.), ... shed this post to take ... duties concerning the ... of trading activities ... um ingot and chemi... s for Alcan in the ... Scandinavia, Continen... the Middle East and ... Gardner will remain ... of Alcan (U.K.) and ... uminium (U.K.). Mr. ... sell, previously assis... ng director of Alcan ... mes managing direc...

★

... A. Craig has been ... director of HAMBRO... replaces Mr. H. E. ... as a representative ... Bank on the Board ... any.

★

... Donoghue has been ... n executive director ... PAYNE (MARINE), ... okers.

★

... Joyce has been ap... ctor of organisation ... for the COMPAIR ...

★

... BAGNALL has made ... appointments to its ... D. Carwardine, cur... nal director for pro... ring; Mr. T. A. Col... y divisional director ... n; Mr. P. F. Heckley, ... isional director and ... d Mr. J. G. Scriven, ... visional director of ... all and secretary of ... anisation, the parent company. Also appointed a non-executive Board member is Sir Conrad Seward.

★

Mr. E. de Grey Seaman has retired from the Board of FMC for personal reasons. Mr. Seaman, who was deputy chairman for a period, was a founder member of both the company and the former Fatstock Marketing Corporation.

★

Mr. David Youens has been appointed director of personnel and management services, with continuing responsibilities for personnel functions throughout CRANE FRUEHAUF, and additional responsibilities for the development of group management services. He was previously group personnel manager.

★

Mr. P. W. H. Madden has been appointed assistant vice-president of DOWTY CORPORATION at Arlington, Virginia, U.S. Mr. Madden was previously general manager of Dowty Seals Milford Haven factory.

★

Sir Toby Weaver, a former Deputy Under Secretary at the Department of Education and Science, has joined the OPEN UNIVERSITY as Professor of Educational Studies.

★

Mr. C. G. Andrews has been appointed sales director of WILSON BROS. GREETING CARDS. Mr. Andrews was previously sales manager.

★

Mr. P. A. C. Cogan has been appointed managing director of TEFAL HOUSEWARES. Mr. Cogan was previously marketing manager, Europe, for the Teflon finishes department of Du Pont de Nemours, U.S.

★

Mr. D. Warburton and Mr. K. Johnson have been appointed members of the RUBBER AND PLASTICS PROCESS INDUSTRY TRAINING BOARD. Mr. Warburton is national industrial officer of the General and Municipal Workers' Union. Mr. Johnson joined Dunlop as director of administration in 1974 following a period as deputy chairman of the Pay Board. In 1975 he was appointed to the board of Dunlop, the main operating company of the Dunlop/Pirelli Union.

★

Mr. A. B. Richards has been elected president of the INSTITUTE OF CHARTERED ACCOUNTANTS OF SCOTLAND.

Mr. Richards is senior partner in Scotland of Touche Ross and Co. The two new vice-presidents are Mr. J. L. Kirkpatrick, joint senior partner of Thomson McLintock and Co. in Scotland and a senior partner of McLintock Main Lafrentz and Co., and Mr. W. N. Hunter Smart, a partner in Hays Allan, London.

★

Mr. R. W. Katz has resigned as a director of NEW COURT EUROPEAN TRUST and Mr. N. J. Eeley has been appointed a director in his place.

★

Mr. J. S. White has resigned as a director of EQUITY CONSORT INVESTMENT TRUST and of Equity Income Trust. Mr. R. B. Alexander has been appointed a director of both companies in place of Mr. White.

★

Mr. D. H. Stuart-Brown is to retire on May 21 after 37 years with LLOYD'S UNDERWRITERS NON-MARINE ASSOCIATION, including 12 years as secretary. Mr. D. R. Rewell, at present deputy-secretary, will succeed Mr. Stuart-Brown as secretary from May 24. Mr. P. G. Schooling and Mr. G. L. Spickett become joint deputy secretaries from the same date.

★

Mr. K. H. Platt will retire as secretary of the INSTITUTION OF MECHANICAL ENGINEERS in the autumn, and will be succeeded by Mr. Alex McKay, at present general secretary of the Institution of Chemical Engineers.

★

Mr. Maurice Presley has been appointed a director of INDUSTRIAL DISTRIBUTIONS (MIDLANDS). Mr. Presley has been general manager of the company for the past seven years.

The Arts

Black Theatre of Brixton

BY B. A. YOUNG

The Black Theatre of Brixton is playing at the little Soho-Poly in Riding House Street in two one-act plays by Jamal Ali. The Black Theatre is a permanent company, as permanent companies go these days, who "aim to bring to the British public a Theatre of Conflicts—certain cultural aspects of black people's life—the way we love, live and expire in this British Metropolis." Jamal Ali's two plays may not take us far on this road to enlightenment, but they provide a lively, entertaining evening worthy of support by any standards.

Before dealing with the plays in more detail, a word about black theatre as a phenomenon. There's no doubt of the eagerness of black players to enter the arena of the theatre; there is even a special sub-committee of Equity devoted to persuading managements to cast more coloured actors even in white parts. This is something I've written about before, and my support of it is moderate. There's no logical reason why the proportion of working black actors should be above the proportion of black people in the population, and in so far as there are any reliable figures they don't seem to be doing badly.

Moreover, when plays by black writers, acted by black players, do see the light, they don't seem to get the support they should from black audiences. The houses at the Royal Court, where you can see some of the best acting in London in *Parcel Post* are decidedly thin. When Eddie Kulukundis took Mustapha Matura's splendid *Play Mas* from the Court to the Phoenix, it withered away almost at once.

A company like the Black Theatre of Brixton seems to be making the right kind of approach, by playing mostly in small houses where the catchment area contains a high proportion of black people. The Soho-Poly isn't in that kind of area, and their season there (all too short) is by way of a leap in the dark. On the first night I counted eight black people in the audience, and though a cynic might argue that this is a pretty fair proportion of a Soho-Poly audience, it isn't enough.

I do not mean by this that black plays are only fit for black audiences. But if black theatre is to thrive, black audiences must be built up; and without labouring the point any further, let me say that a play like *Dark Days Light Nights* seems to me just the kind of piece to build it up with.

It's a play that depends almost entirely on the quality of talk that fills it. (My instinct tells me that Jamal Ali must have used a measure of extemporisation in its composition.) The situation is a simple one. Two men, David (Richard Horne) and young Benjamin (George McLeod) share a bed-sit, where Benjamin, a chef, provides the money and David provides the girls.

Ingrid Bower and Richard Horne

Girls are virtually their only interest apart from food and rock music. Each of them has a steady friend: David has the tough Miriam (Pauline Lewis) and Benjamin has Saffra (Angela Greenwood). But it is their practice to employ these only as hors d'oeuvres before going on to something more exciting—in David's case a white girl, Sally (Ingrid Bower, absolutely hilarious).

So their evening seems bound for disaster when the two girls arrive with Jomo, a Black Power militant (Bertram Carnegie) for David and Benjamin are very well satisfied with their lot in Great Britain. "This country is good to me, man," says David pragmatically, "like Giro and work." The cases for and against black militarism are argued with a notable bias towards peaceful integration; but, like all the conversation in the play, taking every opportunity for a laugh.

It is the lively good-humour of the play that I found so very pleasing, and the buoyant openness, so characteristic of black talk, with which it is presented. I could have done without the poetic message which Mr. McLeod speaks to the audience by way of *envoi*, though it was nice to have those few extra moments of Mr. McLeod.

The Treatment is a kind of curtain-raiser, a monologue by an arrogantly self-satisfied black poet with as many delusions as Walter Mitty. It tells nothing really specific about the cultural aspects of black people's life—many a white poet is just as arrogant and just as bad—but it makes an enjoyable show-piece for Imrhu Ceasear.

Theatres this week

HAMPSTEAD—*Ortrud Beginnen.* German diseuse sends up lieder-singers. Opened Monday.

BRISTOL—*Aleksei Arbuzov season. Once Upon a Time* at the Little (reviewed Tuesday) is light, sentimental and unbelievable but contains Michael Hordern and Felicity Kendal. *Evening Light* at the Theatre Royal (reviewed Wednesday) is more serious, equally sentimental and superbly produced. *The Promise* at the New Vic is the popular romantic triangle. Russia's most popular living playwright must be worth investigating.

WIMBLEDON — *Widowers' Houses.* Good production of Shaw's first play by the Actors Company. Opened Tuesday.

SOHO POLY—*Sitting Ducks.* Two entertaining short plays by Nigel Hawthorne. Lunchtime. Opened Tuesday.

ROUND HOUSE—*The Journey.* Unhappy attempt to write a miracle play with present-day references; Angela Pleasence in the lead. Opened Wednesday.

STRATFORD-UPON-AVON — *Romeo and Juliet.* Ian McKellen and Francesca Annis as the star-crossed lovers in a highly colourful production. The theatre has been roughly disguised as an Elizabethan playhouse. Opened Thursday.

ICA—*Judas.* The current offering of "physical theatre" is a dull and humourless effort that hardly fulfils its ambitions. Reviewed Thursday.

The Seraglio

BY RONALD CRICHTON

Welsh National Opera, 30 years young, opened the spring season at Cardiff on Thursday with a new *Seraglio* which promises, when it has settled down, to be worthy of the company's high standards. Because of illness, two of the principals have been replaced. Alexander Young sang Belmonte instead of Keith Erwen. This fine artist gave a notable demonstration of thoughtful Mozartian style, avoiding the over-eagerness into which inexperienced singers of the part are often trapped, but inevitably lending the ardent, enterprising young Belmonte a maturity more fitting for another Mozartian role he has sung for the company, Idomeneo. At even shorter notice Lois McDonall replaced Janet Price as Constanze, uneasy at first, later singing with feeling and a fuller tone than most sopranos will risk in this music. It says something for the present state of opera in Britain that two of the most difficult roles in the repertory can be so capably filled under such circumstances.

There was much interest in the first stage appearance here of the Jamaican bass, Willard White, recently heard at Camden Festival in a concert version of *Porgy and Bess*. His Osmin was both a delight and a nonsense. A delight, because the voice is splendid and is used with instinctive musical grace (it is still light at the bottom for this music, but Mr. White's marking of the low notes is more pleasant than many basses' growling of them), and because he is a "natural" incapable of an ungainly or ill-timed movement. A nonsense, because instead of a pot-bellied, vicious old bully, he presents a young, agile, friendly tiger of a man whom no Pasha in his senses would allow within ten miles of his harem.

The second pair of loves, Blonde and Pedrillo, were ill-assorted. Lillian Watson has distinction in everything she does, which includes making a small voice carry a long way. Alexander Oliver had a like distinction in his singing, but acted Pedrillo (against the grain, one hopes) in a vein of thumping low comedy that reached a nadir in the Serenade, relentlessly milked for laughs. For this, the producer, Michael Geliot, must presumably take responsibility. Throughout the evening, Mr. Geliot's approach shows a discrepancy between the ideals of the programme-note (*The Seraglio* as a forerunner of *The Magic Flute* and *Fidelio*) and the staging of the comedy on a level which puts it, for the most part, far out at the end of the pier—yet there are scenes like the *Vivat Bacchus* duet, which come off very well. The English version of Joan Cross and Ann Wood sounds good when properly spoken (by Miss Watson, for instance, and by Mr. White whose speaking voice is magnificent); otherwise it limps.

The sets by Serge Marzolff have been borrowed, presumably as an economy measure, from Geneva. Costumes were designed locally. One must suppose the Alexander McPherson had seen the first act set, with w[...] plastered with tired ora[...] mousse, before producing [...] tumes which were killed s[...] dead by it — making [...] McDonall look frumpish. [...] take some doing. The second is better, though the heav[...] sometimes suggests a siniste[...] between Calvinism and Diss[...] outlaw visual pleasure in [...] The last act has a long an[...] productive scene change [...] Osmin's triumph aria—jus[...] by the libretto, but dang[...] because it slackened the te[...] just before the lovers' big [...] György Fischer conducts [...] Welsh Philharmonia in a [...] and well-nourished account [...] the score. In later performa[...] he will no doubt allow the int[...]duction to "Martern aller Arten" to expand more freely, bu[t] already the accompaniments [...] the lighter arias shine lik[e] jewellery. When the other aspects of the production have matured and polished, this Seraglio should take a suitable place among the achievements chronicled in useful detail in the anniversary booklet.

Don Procopio

BY WILLIAM WEAVER

With the one predictable exception, Bizet's operas are virtually unknown in Italy. Even last year, the centenary of the composer's death, was marked by most Italian theatres with revivals of the inevitable *Carmen*, the only exception being the Spoleto Festival, which staged a delightful production of the youthful one-act *Le docteur Miracle*. Now, too late for the anniversary, but none the less welcome for that, a revival of *Don Procopio* has been given at the Teatro San Carlo.

Revival? Not exactly. In some ways, this was an Italian premiere. The story of *Don Procopio* is quickly told: Bizet found the libretto while he was at the French Academy in Rome, set it, and despatched the two acts to Paris in 1859 as his "envoi" (he was supposed to write a sacred piece, but couldn't summon sufficient enthusiasm). Ambroise Thomas reported on the work to the Académie, saying it was "brilliant," "bold," and that its author showed a distinct gift for comedy. Then the score was lost until 1894, when Charles Malherbe found it and prepared—with considerable liberties—a performing version, in French.

This Bizet-Malherbe *Don Procopio* was given at Monte Carlo in 1906 and—translated back into Italian—in Rome in 1908, with Galli Curci and De Luca. Last year Radio-France performed the original Italian version, and it was this version that served as the basis of the San Carlo's production (some of the Malherbe recitatives were apparently used here, to make for dramatic fluency and to amplify what would otherwise have been a very short evening).

It is easy to agree with Ambroise Thomas. Though less buoyant than *Le docteur Miracle*, Bizet's Italian comic opera has an easy-going fluency that is hard to resist. But since it is a minor work, it requires more than usual care and taste in production; and unfortunately, in Naples, the opera was staged aimlessly by Enrico Colosimo and conducted drearily by Massimo Pradella. There were signs of inadequate preparation: the chorus sang tentatively, often at odds with the orchestra. Even such a skilled veteran as the bass Sesto Bruscantini (in the title role) made less than his usual impression.

The plot is—with variations—the Don Pasquale story. As Betting (the Norina of the situation), the gifted young Rosetta Pizzo had some enchanting moments, especially in her two duets with the tenor Antonio Savastano (who coped sensitively with his music, despite a most unbecoming costume). At other times, however she allowed her voice to become excessively metallic, cutting, unpleasant to hear. Of course, she was hampered by the lacklustre conducting and by the frequently off-pitch singing of some members of the cast. Paolo Ricci's costumes were a curious mixture of periods, and his set was aggressively unattractive.

Nevertheless, Bizet somehow came across. Even at the age of 21, setting a text in an unfamiliar language, based on conventions long discarded, the composer was able to give ample indication of his own, irrepressible personality, of his spontaneous musical gift. Vanquishing the numerous flaws of the Naples performance, that personality, that gift, was often in evidence.

The Arts of Islam

The opening date of the Arts of Islam exhibition at the Hayward Gallery was inadvertently given on this page as April 2. It opens on April 9.

Collecting

Islamic invasion

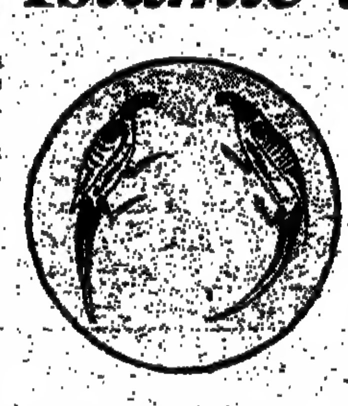
THE ISLAMIC INVASION is upon us. This week sees the opening of the massive World of Islam Festival, six years in the planning: and both Sothebys and Christies have timed a series of major sales of Islamic art for the week of April 12.

The sumptuous and formal arts of Islam have long held a fascination for Europe. Already by the 17th century there was a considerable import of Persian and Turkey carpets to Europe, where the best of them—like the famous Austrian Hunting carpet presented to the Emperor of Austria by Peter the Great—were regarded as precious objects in the Royal treasuries. Seventeenth and 18th century travellers brought back stories and examples of the artistic marvels of the Middle East; and colonisers brought home Mughal works of art from India.

The second half of the 19th century saw a fresh curiosity in this country about Islamic culture. In the 50s Arnold wrote *Sohrab and Rustum* and Fitzgerald published his translation of Omar Khayyam's Rubaiyat. The great ceramic tradition of Islam had remained fairly mysterious to European connoisseurs, but in the 70s and 80s Lord Leighton's collection of Persian tiles provided an inspiration for Morris and William de Morgan. Popular interest in the Middle East climaxed in 1877 with the state visit of the Shah Nasr-Ad-Din, when there were articles on Persian arts in every illustrated magazine: a comic song called "Have You Seen the Shah?"; and thrilling rumours about two hapless Persian servants who had to be secretly buried in the garden of Buckingham Palace after their impetuous monarch had capriciously chopped off their heads for some trifling inattention during his stay with Queen Victoria.

The enthusiasm of collectors was reflected in the huge prices of Islamic art in the years between 1890 and 1930. In 1892 a New York collector paid £16,000 (equivalent to-day, perhaps, to something over a quarter of a million pounds) for an Ardebil carpet: while in 1914 a damaged Ravy beaker realised £1,639 in Paris. The price of £23,100 which Lord Duveen paid in 1928 for a sixteenth century Isfahan carpet remained a record for almost half a century: only in January of this year was a comparable price (in direct cash terms) realised: $47,500 for a silk Heriz medallion carpet.

After 1930, when the last major international exhibition of Islamic art was held in London, at Burlington House, interest seemed to wane. Only a decade or so ago you could buy good examples of Islamic ceramics for a fraction of the price they would have realised around 1900.



Revival began in the late 1960s. One reason was that Persia's new prosperity found expression in a desire to buy back the evidence of the country's former history and culture. The Empress herself has given a notable lead both as a private collector and as a patron of the growing national museums.

Sothebys have recently set up a Middle-Eastern department under Jeremy Cooper, explaining in a charmingly po-faced way that: "By gathering together important European collections of Middle Eastern works of art for disposal by public auction Sotheby's are pleased to help in the natural process of the return of these works of art to the land of their origin."

Christies three sales of rugs and carpets and of manuscripts, miniatures, books and maps, and of "Persian and Islamic works of art" are fairly modest in comparison with the Sotheby series of five sales.

The Sotheby sale of rugs and carpets on Wednesday evening, April 14 is one of the most important of its kind ever held, comparable only to the 1969-70 sales of the Kervorkian Foundation carpet collection. The fifty-eight lots include a 16th-17th century Herat carpet woven with the Shah Abbass design, which Arthur Upham Pope's *Survey of Persian Art* describes as "one of the most famous of all the Herat carpets."

When the carpet was sold in New York in January 1903 it caused "a sensation" and realised $15,000. Twenty-two years later it was sold again for $39,000. It is anybody's guess what it will make this time, though the auctioneers estimate £40-70,000.

A remarkably similar Herat carpet comes from the collection of Grace, Lady Dudley, as does an extremely rare North Persian Shrub carpet which is regarded as one of the finest Joshagan carpets known and could create even greater interest than the two Herats (the auctioneers' guess is £50-80,000).

The sale of glass, ceramics and other works of art (April 12) includes rare and aristocratic weapons, a 5th-6th century Sassanian glass beaker of extraordinarily sophisticated design, and pottery dating from the 9th century onwards, including the delightful Nishapur bowl illustrated here.

This sale also includes a group of objects in brilliant 19th-century enamel work. A new factor in the current revival of interest in Islamic art has been the enthusiasm for the art of the Qajar Dynasty (1794-1925). Perhaps because this period was so long neglected, good works of art of the 19th-century are in some cases rarer than much earlier items.

JANET MARSH

Saleroom

ON BALANCE yesterday's sale of Old Master pictures at Christie's did very well. The total for the 99 lots was £964,180, with around 10 per cent. unsold. The most notable price was the £65,000, a world auction record, for a still-life of grapes and other fruit by the 17th century Dutch painter Balthasar van der Ast.

It was bought by the Leger Gallery of London and almost doubled its pre-sale estimate. The previous best for the artist had been a modest £23,000, achieved in 1973.

There were some disappointments: a wooded river landscape by Salomon van Ruysdael was bought in when the bidding reached £42,000, and a mountainous landscape by Jacob van Ruisdael was bought after the auction by a European collector for £27,500, rather below forecast. But in the main the international demand ensured a good result. (A 10 per cent. buyers premium should be added to all prices.)

The other top prices were the £40,000 from the Alexander Gallery for a view of the Bacino di San Marco in Venice by Francesco Guardi (below estimate) and the £38,000 from Leger for a river landscape by Jan van Goyen (the forecast was £20,000-£25,000). Leger also acquired a view of the Grand Canal, Venice, by Guardi for £30,000, double the estimate.

A feature of the auction was the high prices paid for works by the two Brueghels.

ANTONY THORNCROFT

Rome crisis exacerbated by abortion law deadlock

BY ANTHONY ROBINSON — ROME, April 2.

A HEAD-ON clash over abortion law reform has led to a serious deterioration in the already delicate Italian political situation and greatly increased the chances of either a highly divisive referendum on the subject or a political crisis leading to early dissolution of Parliament and general elections.

All attempts to reach a compromise, including last-minute negotiations between the secretary of the Christian Democrat Party, Sig. Benigno Zaccagnini, and the secretaries of the Socialist and Communist parties, Sig. de Martino and Sig. Berlinguer, failed to avoid the frontal conflict over the text put forward by hard line Christian Democrat Sig. Flaminio Piccoli.

The last word has not yet been said on the question, as the debate in Parliament has been suspended until Tuesday. But the executive committee of the Socialist Party, which met to-day to discuss the situation arising from last night's Parliamentary vote, clearly indicated that the party considered a referendum to be unavoidable, and warned that it would have to take a new look at its external support for the minority Christian Democrat Government.

Failure to agree on a compromise led to a vote on the highly restrictive amendment to the existing law proposed by the Christian Democrat Party. This passed in parliament by 298 votes to 286. The majority was obtained through the votes of Christian Democrats and neo-Fascists against the opposition of all the other lay parties from Liberals to Communists. There were also numerous abstentions.

To a considerable extent the outcome also presented a defeat for Sig. Zaccagnini, who was re-elected secretary of the Christian Democrats on a tiny majority at the Party congress last week. As predicted the hard liners within the party, who are in favour of early elections and a frontal conflict with the Communist Party, have not given up their fight.

The Communist Party was clearly taken aback by this victory for Christian Democrat hard liners. The party fielded its full complement of 175 deputies for what it knew would be a close vote. But it expected the more liberal version of the controversial Clause 2, previously agreed by the Parliamentary commission on abortion reform, to pass by a narrow majority.

This new political upheaval was accompanied to-day by deepening gloom over the economy, the lira dropping ten points to close at lire 851 to the dollar. Exchange dealers attributed the drop partly to the deteriorating political situation, but two other sets of statistics released to-day underline the seriousness of the economic situation: the wholesale price index rose 3.1 per cent. in February as the effects of lira devaluation started to show through in higher import prices, while at the same time the trade deficit showed a substantial deterioration.

Beirut truce fragile as search for new President begins

BY IHSAN HIJAZI — BEIRUT, April 2.

AS A NEW truce took effect here to-day, the fighting gave way to political activity to find a successor to President Suleiman Franjieh. Attention focused on the 99-member Parliament which is expected to hold two separate meetings within the 10-day deadline set by the Left for halting the shooting.

Speaker Kamel al Assaad was reported to be preparing to call the house into session on Monday to revise Article 73 of the constitution to enable a new Head of State to be elected now instead of two months before the six-year term of President Franjieh expires in September. This will be followed by another session, expected next Thursday, to choose a new President. Once the election is completed, Mr Franjieh is expected to step down.

Observers saw numerous and complex problems ahead, and expressed the view that the 10-day time limit would not be sufficient.

For one thing the Left, under Mr Kamal Jumblatt, has insisted that this is going to be "an armed truce" with gunmen holding on to their barricades until the new President is elected. The right said firing and shelling went on after the truce was to have gone into effect.

Moreover Mr Jumblatt has asked that the new President must endorse the left-wing programme of reforms, especially the part providing for a complete secularisation of Lebanon's current "sectarian" system. Observers said a Presidential candidate who would do that would not be accepted by the Right.

Informed sources believe Mr. Raymond Edde, who is a Christian Maronite, appears to have the greatest chance of getting elected to the top executive post, followed by Central Bank Governor Elias Sarkis and businessman Pierre Helou, who is a member of Parliament and who is said to have some Left-wing tendencies.

Former Prime Minister Saeb Salam was scheduled to go to Damascus to-day or to-morrow reportedly to persuade the Syrian leaders of the need to back Mr. Edde, who is an ally of Mr Salam and of Mr. Jumblatt. Speculation earlier had it the Syrians preferred Mr. Sarkis, as did President Franjieh.

Robert Graham writes from Damascus: With the introduction of a new ceasefire in Lebanon, Syria once again has moved into a back-seat role awaiting the outcome of the latest moves.

Apart from Syrian pressure on Mr Jumblatt and his left-wing allies through an arms cut-off, at least three other factors have been instrumental in bringing about the latest stand-to in Lebanon. Informed sources here say that on Sunday PLO leader Mr. Yasser Arafat was persuaded to fall behind Syrian efforts for a ceasefire.

Secondly the Syrians are understood to have asked the Soviet Union to use their good offices with the Lebanese Communist Party—one of the groups in Mr. Jumblatt's left-wing alliance—to accept a ceasefire. Thirdly the U.S. efforts to resolve the crisis through Mr Dean Brown are also believed to have contributed.

Socialist constitution adopted in Portugal

BY PAUL ELLMAN — LISBON, April 2

PORTUGAL'S new constitution was officially promulgated to-night by President Francisco da Costa Gomes.

In a brief speech to mark the occasion, the President hailed the document, which was formally approved by the Constituent Assembly less than five hours before the ceremony, as a "new phase on the road to democracy and socialism."

The constitution's provisions committing any future Government to building a socialist society have provoked widespread criticism here and the 16 deputies of the conservative Centre Democrat Party (CDS) maintained their opposition to the end.

Tonight's closing session, the last of a total of 132 in which an estimated 4m. words have been uttered at a cost to the Portuguese exchequer of Esc.65m. (£1.2m.), saw party differences temporarily buried in a rare display of mutual goodwill.

The promulgation of the constitution, which will take effect on April 25 — the second anniversary of the coup which ended 50 years of dictatorship — paves the way for the official opening of the parliamentary campaign on Sunday.

Voting in the first free legislative elections for half a century is also scheduled for April 25 and first indications are that the campaign is likely to be bitter with little likelihood of either of the three main contenders—the Socialists, the Popular Democrats or the Centre Democrats—emerging with a workable majority.

Fears concerning the possible danger of the election campaign have been heightened by the reception given to the socialist leader, Sen. Mario Soares, in Madeira yesterday. Sen. Soares was greeted by a crowd of youths who hurled eggs and tomatoes before being dispersed with tear gas.

Meanwhile, the military commission of inquiry appointed by the Revolutionary Council has thrown a fresh spanner in the electoral works by publishing new evidence connecting the Communist Party and the revolutionary left to the abortive military uprising last November 25.

Protests worry Madrid regime

BY ROGER MATTHEWS — MADRID, April 2.

THE ARREST of four leading Left-wing politicians in Madrid at the beginning of this week may mark a crucial point in Spain's history, according to their colleagues. Sr. Joaquin Ruiz Jimenez, once a Minister under General Franco and now a Christian Democrat leader, said to-day that the regime's decision to charge the four with offences that carry jail sentences of up to 30 years "could have grave consequences for the future of the nation."

Sr. Ruiz Jimenez, who acts as lawyer for one of the four detainees, Sr. Marcelino Camacho, the labour leader, added that his client had not been trying to attack the present form of government but simply to propose a free and democratic alternative. Sr. Camacho heads one of the 13 parties and worker groups in the newly-formed Left-wing and centrist democratic alliance.

Lawyers from the so-called democratic right, such as Sr. Joaquin Garrigues Walker, have also put themselves forward as defence counsel, indicating the breadth and depth of concern the Government's action has aroused. Many prominent politicians from across the political spectrum have also sent urgent letters to Sr. Fraga Iribarne, the Interior Minister, urging him to reconsider, and warning of the dangers his action poses to the peace of the country.

Large forces of riot police last night surrounded a building in Madrid where Catholic workers were meeting and arrested 67 of them, arousing further fears that the regime has opted for a new hard line policy. Police are also understood to have arrested a number of telephone company workers this morning as a strike which started yesterday suddenly spread nationwide. Many phone services were not operating to-day and police moved into some company buildings to try and force workers back to their jobs.

In Seville, the Government met under King Juan Carlos amid persistent rumours that Sr. Jose Maria Areilza, the Foreign Minister, was considering resignation. His departure could be the final blow to the waning reformist credibility of the Government and would provoke a major crisis.

More immediately worrying is official reaction to the demonstrations planned for to-morrow in Madrid and for Sunday in Barcelona, when thousands plan to take to the streets in support of a political amnesty. The Interior Ministry has banned the demonstrations and despite appeals from Sr Ruiz Jimenez to abandon the protests in order to avoid the threat of violence, few people are likely to take any notice.

A massive police presence is assured in much of central Madrid to-morrow night.

Gulf to return to Angola

BY GUY DE JONQUIERES — NEW YORK, April 2

GULF OIL said to-day that it has accepted an invitation by the Government of Angola to resume operations there and that it plans to do so as soon as possible.

Gulf halted production in Angola, where it had been pumping about 150,000 barrels of crude oil a day, at the request of the State Department.

Last month, the company released about $102m. in tax and royalties.

The company said that the 200 employees who had been working in Angola were at present working in other locations and that it planned to send them back there as soon as possible.

Jane Bergerol reports from Luanda: The first official Zaire delegation to visit Angola arrived here to-day to start talks on normalising diplomatic, trade and transport relations.

Our Foreign Staff writes: Britain is to seek more information about the reported coming trials of mercenaries in Luanda, through the UN and International Red Cross. The announcement that the men, including the mercenary leader Costas Georgiou, known as Callan, were alive and in captivity has caught both the Foreign Office and Scotland Yard on the hop. The Foreign Office has offered to help relatives get visas to attend the trials.

Violence mars run-up to Thailand election

BY RICHARD NATIONS — BANGKOK, April 2

THAILAND goes to the polls this Sunday for the second time in little over a year and very possibly with a last chance to establish a democratic government and forestall a return to military rule.

Prime Minister Kukrit Pramoj dissolved parliament last January, when a number of his 17 coalition partners proved a more difficult obstacle to overcome than the Opposition or indeed his own programme of social reforms.

But with over 2,365 candidates from 39 parties contesting 279 seats, the Prime Minister's appeal for a clear focus on national issues was soon overwhelmed by the more traditional and long-established electoral practices.

One of the prime victims of electioneering in Thailand has been the Thai parliamentary left-wing which in British terms runs somewhere to the right of the Liberal Party in the U.K. The Thai Socialist Party (SPT), the United Socialist Front (USF) and New Force party (NFP) have suffered from what appears to be a systematic campaign of intimidation from the extreme right in the form of death threats, assassinations—the General Secretary of the Socialist Party was murdered with what appeared to be professional efficiency — and bombings of party headquarters and political rallies. As a result funds for the left have dried up, some prominent candidates have dropped out, and party canvassers stay close to home.

The right wing of the Thai party spectrum has also fragmented considerably, though for more conventional political reasons.

Kukrit's horse trading with the right has strengthened his own party's finances and organisation but at the cost of tarnishing his "clean Government" image.

Nonetheless, Kukrit's SAP is expected to gather considerable rural votes to possibly form a significant bloc as a result of the substantial land reform pushed through in no more than nine months in office.

The Thai Deputy Minister of Education was shot and wounded on Thursday night in the town where he is standing as a candidate in the general election, an official spokesman said yesterday, Reuter reports from Bangkok.

Reagan pins hope on television

BY JUREK MARTIN, U.S. EDITOR — MILWAUKEE, April 2

PRESIDENT FORD and Mr Ronald Reagan are using completely different tactics in the Republican primary election in Wisconsin. The President, who arrived here this morning, is leaving nothing to chance; Mr Reagan is banking it all on a wing, a prayer and his skill as a television performer.

It is hard to see Mr Ford losing next Tuesday's primary. With the notable aberration of the late Senator Joseph McCarthy, Wisconsin has no recent history that would give conservatives any encouragement. Both its Democrats and its Republicans, by their respective standards tend towards liberalism and although the word may be anathema to President Ford he cannot deny that he is to the left of Mr. Reagan.

Were it not for Mr Reagan's victory in North Carolina on March 23, the primary here, in which 45 delegates are at stake, would have been considered academic. Simply because North Carolina produced a major surprise, anything is possible here.

Mr. Reagan was in Milwaukee when the North Carolina result came out, but he has not been back here since. There is a faint chance he will return on Monday but his campaign headquarters holds out little hope, plaintively adding that it would be nice if he made it.

The other faint hope that the Reagan supporters cling to is that he may benefit from cross-over voting, which is unique to Wisconsin and which allows Republicans to vote in the Democratic primary and vice versa.

The polls suggest here that this is unlikely. The Ford margin of victory is generally put at 60 to 40 per cent., with some saying it could be wider. But this has not prevented an all-out effort on the President's behalf.

His current tour, his second here in the last 10 days, is one manifestation. He has been preceded by a small army of surrogates led by his son Jack, who has been milking the university market, and Mr Melvin Laird.

And the Ford 'phone banks and direct mail operations have been working overtime, stressing above all the economic recovery. Just about every Republican of consequence in the State has lined up behind Mr Ford.

In other words if Gerald Ford does not put Ronald Reagan to the sword here then there is something fundamentally wrong with his Presidential campaign.

Reports link CIA and Lockheed

BY JAY PALMER — NEW YORK, April 2.

THE U.S. Central Intelligence Agency was fully aware and, indeed, may have indirectly masterminded and encouraged Lockheed Aircraft's covert payoffs and bribery of right-wing Japanese politicians, according to two separate U.S. publications.

The New Republic, a Washington-based left-wing weekly, alleged in its latest edition that most of the huge aerospace company's payments to Japanese officials between 1969 and 1975 were made through Deak and Co., a New York international currency dealer.

The magazine claimed that it was "well-known in Washington" that Deak had close links with the CIA and that it had occasionally channelled and supervised the transfer of international funds for the agency's covert overseas operations.

Separately, the New York Times this morning ran a long front page story detailing the extent to which CIA officers operating out of the U.S. Tokyo embassy during the late 1950's and early 1960's were aware of and thus condoned Lockheed's payment of bribes.

Quoting an unidentified "former official in a position to see reports," The Times noted that the CIA "was checking with headquarters every step of the way when the Lockheed thing came up. Every move made was apparently approved by Washington."

The newspaper also said that the CIA apparently failed to pass on information about Lockheed's bribes, which are said to have totalled more than $12.5m. spread over about 20 years, to either the U.S. State Department or Grumman Aircraft. In 1959, the Japanese Government reversed an earlier decision and passed over purchase of Grumman fighters in favour of Lockheed F-104S.

Both the New Republic and the New York Times said that the connections between Lockheed and the CIA had been discovered separately by the investigations of the Securities and Exchange Commission and the Senate hearings on multinational companies.

This afternoon the SEC refused to comment, noting that it would only make public illegal practices in Washington. The CIA was quoted as denying that it had participated in payoffs, while a spokesman for Lockheed stressed that the company had never had any dealings with individuals known to be CIA agents. In New York, Deak refused to comment on its alleged links with either the CIA or Lockheed.

Holland expels Russians

THE DUTCH Government has expelled two Russians for alleged espionage activities covering the local military aircraft, aerospace and electronics industry, Michael Van Os reports from Amsterdam. Official circles in The Hague confirmed to-day that the Russians' activities had concentrated on those companies which are to participate in the co-production of the F-16 jet fighters which have been ordered by several European Nato countries, including Holland.

The two Russians are understood to have been trying to build up contacts within several Dutch companies participating in the F-16 General Dynamics construction programme, although firm orders have not yet been signed. Holland's aerospace company Fokker is to have an important share in the project.

Muzzled

Sr. Lysaneas Maciel, one of the most outspoken defenders of human rights in the Brazilian Congress, was deprived of his political rights for ten years following a speech in which he protested against similar punishments dealt to two colleagues earlier in the week, David White reports from Rio de Janeiro.

Argentine debts

Officials of the Argentine military Government have asked foreign bankers for a postponement of 180 days for loan repayments falling due before September 24, AP-DJ reports from Buenos Aires. Argentina's liquid foreign reserves are estimated at less than $127m. and its foreign debt at more than $10bn.

Swine fever aid

The U.S. House of Representatives appropriations committee voted $135m. in emergency funds for immunisation against deadly swine influenza, following the death of a soldier in February, Reuter reports.

Concorde 'rival'

The American Aircraft Company Boeing is working on the design of a new supersonic airliner which could make the Concorde obsolete, Boeing's design director Lloyd Goodmanson said in Mexico City, Reuter reports. The aircraft would be three times bigger than Concorde, cheaper and quieter.

Atom contract split

France and Britain have proposed to Japanese electrical utilities that France should take half of a proposed £400m. contract to reprocess spent nuclear fuel, Reuter reports from Tokyo.

Mr. Con Allday, managing director of British Nuclear Fuels, told a Press conference he made the proposal with M. Georges Besse, his counterpart with the French nuclear fuel company Cogema, in talks this week with Japanese officials.

Teamsters strike deal announced

By David Bell — WASHINGTON, April 2.

A TENTATIVE agreement was reported late this afternoon in the nationwide strike of American lorry drivers belonging to the Teamsters Union following a day in which non-striking lorry drivers were shot at in various parts of the country.

The agreement came in Chicago after many hours of tough bargaining, and a union spokesman said that it was along the lines of a proposal made by the union last month, which would have provided for a 30 per cent. wage increase over a minimum of three years. He declined, however, to give any more specific details than that.

Most of the country's 450,000 Teamsters went on strike on Wednesday night in the first nationwide lorry drivers' walk-out in the history of the United States. Since then there have been reports of lorries being fired at in a number of States after drivers refused to honour picket lines, and one driver was injured when a bullet from a high-powered rifle smashed the window of his cab.

The negotiations have been in the hands of Mr W. J. Usery, the new Labour Secretary.

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SATURDAY, APRIL 3, 1976

No ordinary Budget

THE continuing and steep decline of the sterling exchange rate faces the Chancellor with an even more difficult task of judgment and presentation in Tuesday's Budget than that he would have had to tackle in more tranquil circumstances. The cost of preventing the rate from declining too steeply during the last fit of international jitters can be seen from the fall in the official reserves during March which was published yesterday—over $1bn. There has been much less intervention during the past few days only because selling has been so widespread that heavy intervention would have amounted to throwing away reserves and putting the Government even earlier than necessary in a position where its policies came under stricter supervision from the International Monetary Fund.

The reasons for the latest bout of selling are probably numerous. The size of Mr. Foot's vote in the election for the Labour leadership cannot have helped. Various gloomy forecasts of the economic outlook have probably not only made foreign observers anxious to hedge in advance against the reaction to the Budget but had a similar effect at home by way of leads and lags.

Turning point

The labour troubles at British Leyland, too, have served as a symbol of what is widely thought to be wrong with British industry as a whole and also as a reminder that the next stage of voluntary pay restraint will be difficult not only to negotiate but to get generally observed. This has a direct connection with the Budget, since it is widely anticipated that any steps the Chancellor takes to remove the lower-paid from the tax net or to increase the real value of tax allowances to make up in part for the erosive effects of inflation will be made in some way conditional on the reaching of a satisfactory agreement with the TUC about the terms of the pay policy that is to succeed the present one in August.

Until recently, the TUC was demanding as a condition of continuing co-operation with the Government that the Chancellor should stimulate home demand sufficiently in the Budget to bring about a fairly rapid decline in the rate of unemployment. But all the latest economic indicators, including yesterday's monthy report from the Confederation of British Industry, suggest that the economy is now turning upward out of recession of its own accord. To stimulate consumer demand at a time when the economy is already turning up and when inflation in this country is still running at a rate well above that of our main competitors would be a recipe for disaster.

Borrowing need

This would be true even if confidence in sterling were considerably stronger than it is at present. Given the state of the exchange markets, the Chancellor must make it abundantly clear that his overriding priorities are to bring down the rate of inflation, encourage exports, and stimulate capital investment in industry. The chief impediment to such a policy is, as the recent White Paper showed, the continuing high level of public expenditure and a public sector borrowing requirement much larger than the present state of the economy can justify.

Mr. Healey has worked hard over the past few months to cut the projected growth of public expenditure after the coming fiscal year: he was unwilling to cut back sharply at once for fear of accentuating the recession. Now that the economy has passed the bottom, this unwillingness to cut quickly has turned out to be a mistake. We would hope that the Chancellor can still find some means, despite growls from a Left wing whose importance has been increased by the leadership elections, of reining back at least some expenditure more sharply than he has so far proposed. But the main need, so far as *confidence in sterling is concerned*—and trade union leaders now seem to recognise that its recent precipitate decline will make it more difficult to bring down the rate of price and wage increases—is to budget for a smaller public sector borrowing requirement than is at present expected. If public spending cannot be cut quickly enough, therefore, indirect taxation will have to be increased.

Mr. Healey's test: the need to win trust at home and abroad

BY ANTHONY HARRIS

IT HAS often been said that British economic policy lives from sterling crisis to sterling crisis, with every important change of direction set off by a run on the pound. However, we have never before had an apparent sterling crisis which almost coincided with a Budget. Almost any Budget, except a virtual no-change affair, takes many weeks to produce; the present Chancellor, who prides himself on taking the long view and has furthermore been engaged in the most delicate negotiations with the trade unions, has been hatching the present one for months. Will he have to sacrifice his carefully developed strategy? Or can he present a virtually unchanged strategy in terms which will convince the world that he has, after all, a clear and workable plan for recovery? In a sense which he certainly did not intend even a week ago, Mr. Denis Healey is facing his most critical test.

To talk of an "apparent" sterling crisis, or to discuss the problem as partly one of presentation may sound unduly cynical; but a dose of cynicism is badly needed if the true nature of the problem is to be understood. If the problem is one of confidence and bargaining, it is not altogether surprising if the solution contains an element, from some points of view, of a confidence trick, or at least a trick of language. The statement that a glass is half empty means exactly the same as the statement that it is half full in purely objective terms. In terms of emotion—of confidence—it is quite different.

Acute danger signal

Even the run on sterling can be seen in two lights. It is obviously an acute danger signal; if it continued, we would soon follow the Latin Americans—and recently the Italians—into the nightmarish world in which the rate of inflation turns out to be very much what foreign investors believe it is going to be, and the Government at home is more or less helpless. There is also a domestic danger: the TUC and the Left in general want import controls, and the pressure on the Chancellor to impose some restrictions in a delusory attempt to "protect the pound" and a possibly less delusory one to keep in step with the TUC is clearly great. The Chancellor has courted these risks by his past strategy of delaying his attack on our Government and trade deficit; now he *is paying the price*.

However, this crisis is unlike earlier ones. The challenge in past crises was to prevent a possibly necessary fall in the value of sterling; the challenge this time is to exploit the opportunities offered by a possibly unnecessary one. The clearer the Chancellor's determination to do this, the less the chance of a further, ruinous slide.

The drop to date must be called "possibly" unnecessary, just as the crisis itself could prove an opportunity in disguise, because of the great difficulty of discovering what the "right" exchange value for sterling now is. Nearly all those who have tried to answer the underlying question have concluded that we needed more devaluation than at the beginning of March, by amounts varying from 5 per cent. (National Institute) to 40 per cent. (New Cambridge); and there is solid support for this thesis in CBI surveys, which have shown a high proportion of British exporters still badly worried about price competition.

Mr. Healey could argue on Tuesday, then, that the actual drop of about 8 per cent. in the value of sterling, though not planned by the Government, has nevertheless been willingly accepted because it offers an opportunity. It must greatly improve the prospects in the near future of export-led growth: and *for that reason reduces the need for stimulus at home*—whether through the Budget deficit or through import controls. If Mr. Healey is able to convey that central message in terms which are both credible abroad and acceptable to the trade unions, he will solve his central problem.

What does this imply for the presentation and strategy contained in the Budget itself? To reach this judgment we must—just as in judging the exchange rate—define some sort of a starting point. This does exist, fortunately, in the Chancellor's letter to the International Monetary Fund last September, when he estimated the public sector borrowing requirement this year at £11bn. to £12bn., and said that he expected it to be unchanged in money terms in the coming financial year.

Unfortunately this figure does not mean at all what common sense would at first suggest. It looks like an unchanged policy; in fact, however, it implies a very substantial tightening of the fiscal balance in demand terms. If the trade unions and the Left were very unsophisticated and the foreign financial community highly sophisticated, this would be a helpful illusion: Mr. Healey might hope that his domestic critics on the Left would be persuaded that he was resisting pressures to tighten up (and criticism from the financial establishment would in this respect be helpful), while the IMF and sophisticated bankers would understand the inner truth. The fact is, however, that the trade unions and the Left nowadays enjoy very sophisticated economic advice; it is foreign exchange dealers who are inclined to make snap emotional responses to the crude numbers. This is the Chancellor's most difficult problem.

The silver lining to this particular cloud *is that it puts pressure* on the Chancellor to be as honest and explicit as possible. He will not be telling his domestic critics anything they will not soon discover for themselves, but he may improve his credibility abroad. He will do so still more if succeeds in making the crude numbers as well as the economic interpretations tell the right story.

How does the Budget implied by the Chancellor's letter to the IMF measure up to these needs? First we must tease out the implications. In round numbers, an unchanged borrowing requirement of £11bn. — which now looks the likely outturn for the present financial year—masks a big change in real terms. In the present year, in round numbers, the public sector's *financial deficit, as opposed* to its borrowing requirement (which includes sums lent back to the private sector), is likely to be about £8½bn. About £5½bn. of this represents debt interest; but since investors have been losing heavily because of the erosion of the capital value of their investments in Government stock, they tend to reinvest a high proportion of their interest. The "demand weight" of these payments is only a little over £1½bn. The remaining deficit feeds pretty well straight through to demand, giving a total fiscal stimulus of about £4½bn., or say 5 per cent. of GDP.

In the coming year the split is different. Interest charges will have risen to, say, £6½bn., with a "demand weight" of a little under £2bn. With the same financial deficit, the stimulus would be reduced in money terms to £4bn. to £4½bn.; and since this in turn must be reduced to reflect the falling value of money, the stimulus "*in 1975-1976 pounds*" *is only £3.2bn.*

In other words, an apparent "no change" Budget would actually imply a reduction of the fiscal stimulus by more than 1 per cent. of GDP, which is on the face of it quite a sharp deflationary change in policy. Oddly enough, however, in an economy with no real growth, the Chancellor could achieve this result fairly exactly with a *speech of five minutes; for no* tax changes would be necessary. Since revenue covers about 80 per cent. of expenditure it happens that the fiscal drag on inflation (which was calculated in an article in Wednesday's FT) expands revenue just about fast enough to keep step with expenditure. The concealed deflation contained in an unchanged deficit is imposed by the *concealed tax increases implied* whenever the Chancellor fails to adjust tax thresholds in line with the falling value of money.

We can start, then, from the base that a no-change Budget—no change in tax thresholds and no change in deficit — would both meet the terms of the IMF letter and imply a deflation of up to 1¼ per cent.—a Budget which could, incidentally, be presented either as "steady as she goes" or as a fairly severe anti-crisis package. Presentation really is important. However, this is still a highly simplified world, and we must get nearer to the real one.

Herr Helmut Schmidt, the West German Chancellor (left), must be the envy of Mr. Denis Healey (right): his policies have led to output rising recently at an annual rate of 10 per cent.

First of all, the Chancellor is planning for an increase in public expenditure this year in real terms; and he has also been planning on the basis that the economy as a whole will grow in real terms. Working, for simplicity, in terms of a £100bn. economy, public spending on goods and services will rise by about £1bn.; while tax revenues will rise by about £575m. for every 1 per cent. of real growth in the economy. ...

What growth is likely in the coming financial year? There are almost as many forecasts as forecasters, but there is quite a bunch of published forecasts—National Institute, OECD, London Business School—in the 2½ to 3½ per cent. range. However things have changed since these forecasts were made. Sterling has fallen, and the likely *pay norm looks* a little lower than the forecasters were assuming. Both these developments make it likely that the growth of output, and particularly of exports, will be a bit above forecast—though consumption could be lower.

Here is the core of Mr. Healey's dilemma. The better expectations of growth probably give him about £1bn.—it could *well be more—which he can* dispose of within the his IMF constraint. S use this to temper th the restrained wag probably conditionally restraint, in a second package? Or should h to improve the fiscal ance and get the requirement below implied in his letter? and-fast policy cha would certainly do impress foreign opini yet-unfulfilled promis restraint; but a Labou lor must also be haun memory of 1969, whe Jenkins and the TU total misunderstand incomes restraint brok a result. Trade unio still have it in their p just as much damage holders of sterling.

Sustaine deficit

In wrestling w dilemma Mr. Healey times think envious "friend from Chancellor Schmidt. policy, like British, a heavy Government d year; but unlike Brit it envisaged a rapid balance this year. has more than once c on this account, as reimpose a severe re

The results have be reverse of his fea interest rates and re fidence in Germany b a very rapid recovery put rising recently at rate of 10 per cent. Britain that the forbid cial consequences of a sustained deficit hav currency weak, inte high and confidence lo

Could Chancellor H now begin to emulat lor Schmidt? It is di not impossible. He adjust income tax part of his understa the TUC; but the c kept down if som duties, — petrol, to spirits are clear can are also adjusted to falling value of mo postponement of star public sector capital the usual and relati less way to cut spen would reduce the n painful hump in the e programme. The rewards are even bi before sterling's fall; pay restraint, it is eas confidence in sterlin present cheap rate higher one, and that n interest rates can fal international levels, a ment can revive. But this, and avoid the a of siege or slide, M must be seen to be n wards solvency. Tha depends on one cruc and its presentation day.

Letters to the Editor

Engineering

From Mr. O. Critchley.

Sir,—A century of progressively enhanced educational opportunities in Britain has coincided with falling status for engineering, both as trade and profession: perhaps because of its dependence on manual skills, though many of our great engineers began as craftsmen. The professionalism of our engineers is not in question: indeed, their past achievements have been unexcelled. More successes like those of Watt, Bramah, Brunel, Whitworth, Crompton and Hinton are needed. Are they so depressingly rare nowadays because so few people of such high calibre enter the vocation and those with the potential often lack opportunities or leave, an exodus abetted by Fultonism?

What is to be done? Professional engineers need a better image, as that of backroom designer, struggling inventor, tough site manager or second-string functionary, worthy and most necessary roles, is too *limited an ultimate prospect.* Neither higher salaries alone nor altered titles are likely to give it, nor can it be won by empty publicity, elitism, byzantine manoeuvres in learned institutions or by industrial union pressures. Bearing on the schools to guide some of their more outstanding pupils into engineering will not be of much avail as the policy cannot work upwards to be self-reinforcing, *time being too short for something* which would take generations to realise.

The way of engineering when seen from the desk of the gifted and ambitious child must be as likely as any other discipline to bring fame. Evidence of this could be given by appointing able and deserving engineers still in the course of their profession to those top administrative posts to which their *specialties are broadly relevant. Here* the Civil Service could help by setting a pattern, but only one or two practising engineers have reached as high as Deputy Secretary so far. A change of style, widely publicised, would show that not only has the need to accord higher status to engineering been acknowledged but that something is being done about it. Nothing less is likely to have the required impact on country and schools.

Octavius H. Critchley.
Department of Liberal Studies in Science,
The University,
Manchester.

Closed shop

From Mr. G. Loftus.

Sir,—Betrayal comes in many names—but it is novel to see a libertarian accepting the closed shop: it is like seeing a bishop walking into an atheist's book shop!

Perhaps Mr. T. G. Arthur (March 24), who has such novel views, might bear in mind that the only country in Western Europe that accepts the closed shop is Britain. Western Germany is very often held up to us as an example of labour relations—and yet we conveniently neglect to notice that not only do both employers and unions go to law when contracts are broken, but even the trade unions refuse to accept the closed shop. The same situation obtains in Holland.

George Loftus.
78, Carlton Avenue East,
Preston Road,
Wembley, Middlesex.

Redevelopment

From the Hon. Secretary,
Bedford Society

Sir.—Your feature on Bedford (March 15) mentioned the Harpur Centre now nearing completion on the site of the old Bedford Modern School.

I wonder if this is unique among town-centre developments since it incorporates the 100-yard-long façade of the old school building, designed by Edward Blore in the 1830s. *In 1967 the Harpur Trust decided* to move the school to a new site and redevelop the old one commercially to enhance the 400-year-old endowment. After consultation with planning authorities and the Bedford Society, the trust commissioned Sir Frederick Gibberd and Partners to produce a scheme providing for the retention of the Blore façade—a listed building and an irreplaceable townscape *feature—to form the main frontage* of the 24-acre development.

The façade, of Bath stone, has now been cleaned as part of the Gibberd scheme, and the forecourt will shortly be landscaped by the Borough Council, giving Bedford a new town square adjacent to the ancient civic heart. Even the original cast-iron lamp-posts designed by Blore are being restored. One of the entrances to the Harpur Centre shopping malls passes under the old *school tower* in the centre of the façade.

All this is proof that town-centre redevelopment, if carefully considered and imaginatively planned, need not involve the loss of familiar landmarks and the architectural heritage on which public opinion now places a much higher value than it did only a few years ago.

Richard Wildman.
5, Greenacres,
Bedford.

North Sea oil

From Mr. C. Hulls

Sir,—For the Government to tell the oil companies that two-thirds of North Sea oil must be refined in the U.K. (March 30), is potentially an irresponsible waste of our national resources.

North Sea oil is of better quality and will undoubtedly continue to command a higher price on the international market than Middle East oil, but to force U.K. refiners to process more high quality North Sea oil than they need, when they could just as easily run cheaper Middle East oil and meet their product quality specifications, is to throw the additional quality premium of North Sea oil down the drain.

Surely Mr. Ray Willmott can see the simple economic advantage of buying in Middle East oil for domestic refining, selling North Sea oil for export, and realizing the valuable quality differential, which to-day would probably be worth about $1 for every barrel. As far as security of supply is concerned, the Government can simply make its export licences for North Sea oil contingent upon a continued reliable supply of cheaper Middle East oil; if supplies from the *Middle East* were threatened at any time or in the improbable event of them becoming more costly on the international market than North Sea oil, then we could always turn to our North Sea oil instead. For Mr. Willmott to suggest that U.K. refiners will be able to export refined products in large volumes is really a red herring since it is most unlikely that such products could compete abroad.

Obviously if all a U.K. refiner needs is Middle East quality, then all he can afford to pay is a Middle East price, whereas the U.S. market will support the full quality value of North Sea oil. The difference—about $1 per barrel—will be enjoyed by the U.K. producer, and so the Government will enjoy additional resultant tax revenue. It's not a question of a conflict of interest between the State and the oil companies. It could be good for both if only the Government would use commonsense.

C. A. R. Hulls
61 Cavendish Crescent,
Borehamwood, Herts.

Non-smokers

From Mr D. Sarll.

Sir,—Mr. Mayers (March 27) has taken me just a little more seriously than I expected and my concern was less with the problem of those who suffer at the hands of the thoughtless smoker in railway carriages than to make a point to the smoker who is inevitably thoughtless about himself as well as others. Sir Edward Boyle, as he then was, said in 1962 that education gave us an opportunity of "acquiring intelligence" and those who have had the most *opportunity of so doing are the* least likely to smoke.

Mr. Mayers suggests that I am remiss in equating class with income: if he will look again at Page 21 of Social Trends he will see that, while the income in the manual-worker household may be greater than in that of the professional-worker, the share-out of household income is among three workers in the manual and two workers in the *professional household.* Indeed statistical material needs very careful analysis before being used.

Don Sarll,
29, Ellesmere Road,
Eccles, Manchester.

Energy

From Mr. N. Jenkins.

Sir,—If we all paid for energy on an equitable price per therm of fuel the profit made by gas could be used to pay for the investment we shall have to make in underground mains for the distribution of metered hot water from combined heat and power generating plants. Another point is whether the cost of the new gas grid—and the colossal cost of conversion—is reflected in the present price of household gas and whether it might not have been less costly to have burned the gas in municipal boiler units for generating combined heat and power rather than distribute it for use in individual appliances at far greater cost and much lower energy-use (thermal) efficiency?

Norman Jenkins.
Whitehill,
Ewshot, Farnham, Surrey.

Privileged few

From Miss S. E. L. Barrey,
Secretary,
Islington Chamber of Commerce and Trade.

Sir,—Since the GLC has, by its official policy, exacerbated the parking problem in London, the practice has grown up of procuring parking places en bloc—naturally on a paying basis. At the Angel National Car Park, the Price Commission has set 82p as the going daily rate—surely a hefty rate for a small company or individual to pay, even with a 20 per cent. discount if applicable. Yet in this same car park, no less than 50 places have been allocated to public employees on a special tarmac strip and they are complimentary!

Is it fair that this form of "public privilege" be turned a blind eye upon and is it just that *the taxpayer is virtually* subsidising free parking places for officialdom? Furthermore, do the recipients of these complimentary places declare them as a fringe benefit in conformity with Clause 12 of the Inland Revenue Form P 11 D? Whether the salaries involved attain or even, more likely, exceed £5,000 per annum, I maintain that in principle this kind of preferential treatment is both discriminatory and indefensible.

S. E. L. Barrey,
298, Upper Street,
Islington, N.1.

Negligence

From Mr. P. Perkins

Sir,—There has been a considerable increase in the past year or so in the number of symposia and seminars on the subject of professional negligence. No doubt this has arisen *because of concern felt by professional men at changes in case* law which have been taking place with regard to the period during which persons and firms can be sued for professional negligence.

At one time it was thought that this period was limited to six years for normal contracts and twelve years for contracts under seal. It now appears, however, from several cases (for example, Dutton v. Bognor Regis UDC) and that the owner's course of action does not accrue until he is in a position to discover the alleged defects, which may only appear very many years after the completion of the work. Thus it follows that liability can continue almost indefinitely.

If these decisions are upheld by the House of Lords, it would seem that professional men at *any rate may have little option* but to disregard the codes of ethics laid down by their institutions, and operate under limited liability companies.

Philip H. Perkins
Flat 4,
15, Lyndhurst Gardens, N.W.3.

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Europe starts to enjoy an upturn in the car market, British Leyland is again hit by serious labour disputes. Before the present round of troubles the company was finding it virtually impossible to keep abreast of demand. **Terry Dodsworth** reports

The razor's edge for British Leyland

K IN the British car is a long time. Three ems like eternity. It that long ago since a 100 or so British Ley- reholders sat down at pa Hotel in London to company's top brass turn of the tide. Yet eyland is struggling ain with one of its full-blown crises. resent rash of trouble t have come at a worse nce the beginning of all the signs in the car have been pointing to swing out of the acute n that has gripped the since the beginning of crisis. In Europe the ion has been dramatic, , it looked as though *smiling on BL*: no one had foreseen such a nprovement, and since had been buckling the grim task of hold- in a declining market, rgence promised a wel- nus.

clearly, any loss of pro- at the moment will dis- e opportunity that has aced within Leyland's Even before the present f labour disputes the was finding it virtually le to build up output in th demand: now the has deteriorated

d's decline — a weekly ate of 14,500 cars in r, after rising to 18,000 eginning of March, has dropped to 14,000 — puts the company at a comparative disadvantage with other domestic producers to say nothing of importers. Translated into the market place, the output figures mean that the company is coming perilously close to losing leadership to Ford, which will have a major bonus at the end of the year following the launch of its new small Fiesta model, a competitor to the Mini. It could be that Leyland will fail to reach the target of a 33 per cent. market share set by the Ryder report this year. The 33 per cent. must be treated as a benchmark of the company's progress because it is one of the main assumptions on which the Ryder forecasts of eventual profits for the company was based.

Adrift

So far, as the registration tables show, Leyland has been hopelessly adrift in its pursuit *of this target. The latter months* of 1975 were a disaster: the company lost market leadership to Ford for three consecutive months — the first sustained spell over which this had ever occurred (although as a comparison of the production and registration figures shows, Leyland makes a much braver effort to export cars than Ford has done recently).

At the beginning of this year Leyland began the long haul back, helped by a brief period *of sustained continuous production*. This was when the smiles broke out; they have now disappeared again, for Leyland will have plunged last month to a market share of about 27 per cent., with Ford again in the lead, and the importers will have retained about 32 per cent. of the market.

Overseas the results of the labour disputes are equally damaging. Here again, the starting point is the Ryder report. This stated that Leyland should seek to increase its market share in Western Europe—regarded by Ryder as the most important area—from about 2 *per* cent. to 3.6 per cent. in 1981 and about 4 per cent. in 1985. In unit terms the 1981 target means annual sales of a little over 300,000 cars against 155,000 last year.

Leyland's task has already been made more difficult on this front by the closure of its Spanish plant (involving a loss of about 25,000 sales a year) and the bitterly fought liquidation *of Innocenti (which once had* annual sales of about 60,000 cars). Some of the Italian sales can be held, but it is in the two central markets of Germany and France that Leyland must now succeed if it is to have any hopes of reaching targets. And in these markets regularity of supply and marketing efficiency are of paramount importance.

The new Leyland management has not been slow to tackle Europe. Only two weeks ago it took over Bruggemann, its German distributor, and it is trying to build up the dealership chain throughout the Continent by offering a better mix of vehicles. The Princess, for example, has been heavily *promoted: but it is no secret* that the International Group, like home dealers, has not been able to get this model in either the quantity or the quality it would like.

All these marketing and production problems point to the need to improve industrial relations. Although the Leyland management accepts that new investment would help increase

CAR REGISTRATIONS (%)

	Dec.	Jan.	Feb.	March
BL	26.9	28.9	31.2	27.0*
Ford	30.0	25.4	24.4	27.5*

CAR OUTPUT: AVERAGE WEEKLY RATE

	Dec.	Jan.	Feb.	March
BL	14,500	16,600	17,400	15,000*
Ford	7,200	9,400	9,360	9,840

* estimated

output—indeed this was central to the Ryder report—the weeks of comparative peace in January and February showed how a period of uninterrupted output helps the production line develop momentum. At the same time quality began to improve. A stop-start pattern seems to drain efficiency away from factories just as remorselessly as from a national economy.

But BL faces a daunting task on the industrial relations front. As the present round of disputes has shown, it still has to deal with scores of bar*gaining* units riven with sectional interests which prejudice the hopes of longer-term improvements.

Status

For example, there has been one common sectional interest behind most of the recent strikes: the erosion in the status of the skilled operative. This partly goes back to the perennial rivalry between the craft unions and the unskilled workers—which is intensive in some Leyland factories—but it is also linked with to-day's general issue of the way in which skill is rewarded.

Like the professional middle classes, skilled engineering workers in the West Midlands have felt their incomes increasingly threatened over the past few years. In Leyland they have also seen their traditional pay differentials disappear as production workers were bought out from the piecework system by high hourly rates: and now the craft unions have been caught in the Government's £6 pay limit as well.

The answer proposed to the problem, and now attracting considerable support in Leyland, is a unified system of bargaining with a revised grading system giving better differentials for higher skills. Negotiations would take place centrally just once a year for all workers, thus breaking with the present system of virtually continuous bargaining. Such a new system might well heal the running sore caused by disputes with the craft unions. It also holds out the prospect of getting away from the problem of spasmodic outbreaks of trouble which can reverberate from a small production unit until it closes the whole Corporation.

Unless these problems are solved, it is difficult to hold out much hope for a successful conclusion to the wholesale reorganisation of Leyland's fragmented production facilities. The reorganisation must be pushed through. The logic behind pumping vast amounts of taxpayers' money into the Corporation is an eventual rationalisation of products and plants that will help increase efficiency. But such a reconstruction naturally implies flexibility in using the workforce—for example, it is generally assumed that some of Rover's eight plants will be closed, and that Triumph's assembly facility at Canley in Coventry will switch over to component manufacturing.

Naive

It is these issues that the employee participation programme is designed to tackle, quite separately from the bargaining structure. But it would be naive to suppose that Leyland can reach solutions to such large-scale problems if the general industrial relations situation remains as sour as it is at the moment. The one important card held by the management is its control over the investment programme: the company can only release money, it says, *if there is* an improvement in productivity. This is a real threat in the sense that the Ryder Report did say that further loan finance should only be made available to the company *if improvements* could be shown.

So far Leyland Cars has not been able to do this. It has managed to bring down its workforce (from about 130,000 a year ago to 114,000 to-day): and it plans to increase output from about 14,000 cars a week to about 22,000 a week by the autumn. But the recent disputes, of course, have disrupted progress.

The insistence on higher productivity, however, depends on maintaining the fiction that the National Enterprise Board, which will own 95 per cent. of the company, is a real bank that will behave with as much commercial ruthlessness as one of the Big Four towards a wayward client. Many of the workers who have been on strike refuse to believe that the Government would not in some way put pressure on the NEB to produce the money if the company got into greater difficulties.

So far, Mr. Alex Park, the group chief executive, has interpreted the Ryder proposals to the letter. A disproportionate amount of investment has been directed into the Truck and Bus, Special Products and the International Groups over the first six months of the company's operation, and *these* three are expected to approach the investment sums—£37m., £8m. and £18m. respectively — suggested by Ryder for 1976. At the same time, the Car Group—which is scheduled to get three-quarters of the £1.2bn. made available by the Government, and which should have spent more than £100m. this year—has been subjected to an investment freeze.

Ticking over

It is difficult to estimate how much has in fact been spent by the Car Group, since some projects have been kept ticking over. But it will probably be less than half the scheduled amount: and judging by the annoyance of Leyland's machine tool suppliers, who believe that all the orders will eventually come in one awkward bulge, the squeeze has been effectively applied. In the meantime the heavy demands on working capital made by the Car Group threatens to push the whole company deeper into debt. That is the knife edge on which BL finds itself to-day.

LABOUR NEWS

R sacks four who fused to join union

AVID CHURCHILL, LABOUR STAFF

VHITE-COLLAR workers itish Rail have been dis- for refusing to join a nion under the industry's shop agreement. A fur- employees are to be dis- in the next few days. emerged yesterday fol- ngry protests by over 30 facing dismissal from hern Region's Croydon,

Rail admitted yester- 99 employees out of ately 250,000 had re- join one of the three nvolved—the National of Railwaymen, the Salaried Staffs' Asso- and the Associated Locomotive Engineers nen.

ur of the 99 have so ccessfully appealed ining the union under onable grounds" loop- ided in the agreement. four have claimed exemption and BR has rred a final decision official confirmation church officials in-

Three of the dismissed workers are from the Scottish Region and one from Southern. The Southern Region worker had not appealed against joining a union but the other three had. Some 39 appeals are still to be heard.

British Rail also said that 23 staff had already been issued with dismissal notices and a further 29 would receive them within a few days.

One of the staff facing dismissal at Croydon, Mr. Roger Webster, said yesterday they would fight to the end. "We do not see why we should be forced to join any union."

NUR attack on rail strikes

THE SPATE of unofficial strikes by ASLEF rail drivers protesting about BR's cutback in services and increase in fares was attacked yesterday by Mr. Sidney Weighell, NUR general secretary.

wer staff association es clash with ASTMS

R LABOUR CORRESPONDENT

the Electrical Power Association to extend e power supply indus- come the leading union ssional engineers and management in the ctor, may cause a clash Association of Scientific and Managerial Staffs, fore the proposals have idered by the EPEA onference, where con- opposition is expected. e Jenkins, ASTMS ecretary, has given a

written to Mr. John EA general secretary, hat it would be "dis- nd disorderly of the ecruit in this field." s' reply indicates the recruiting battle that p between the EPEA TUC affiliated unions STMS, should it decide head with its expan-

it clear to Mr. "any attempt at would prove coun- tive," although he goes that the EPEA is not and on anyone's toes. troversial issue will be

considered by the EPEA's annual delegate conference next Tuesday when several branches are expected to oppose the move. They feel that the planned expansion would lead to a reduction in the services for the present members—key technicians employed by the electricity council.

Journalists tie in closed shop vote

THE FIRST national newspaper vote on the closed shop since the controversial Trade Union and Labour Relations (Amendment) Bill was passed has resulted in a tie.

A 76 per cent. poll by members of the National Union of Journalists at the Daily and Sunday Telegraph has resulted in an 53-53 tie on the proposal that the chapel (office branch) start procedures leading to a closed shop. A mandatory meeting will be held to decide the next move.

es backs export plan

R LABOUR STAFF

K JONES, general of the Transport and orkers' Union, yester- his backing to the tting up export con- so that British firms e the cost of overseas aigns.

at the National Exhi- ntre in Birmingham: o not sell themselves. r sales and service should be extended ntial markets. The approach would per- d development in this

Mr. Jones said that he would argue strongly "for trade union participation in all the *export* activities of all firms and industries."

He also said now was the time for unions and employers to join with the Government in ensuring that the necessary capital was fed into the areas of potential export growth, which would be of greatest benefit to economic recovery.

"Exporting more abroad and buying British at home is a clear way forward to achieve more jobs for workers in this country," he said.

Haw Par-Slater Walker report adopted

BY MICHAEL LAFFERTY AND KEITH LEWIS

A REPORT from Mr. Philip Grundy, the partner in Price Waterhouse, appointed by Singapore Finance Minister Mr. Hon Sui Sen last July to investigate the affairs of Haw Par Brothers International and Slater Walker Securities has been published.

It states that "On a *strictly* commercial basis, fees, commissions and transactions in securities between the two groups were not inequitable nor do they appear to have been detrimental to Haw Par's interests."

It says that share deals between Haw Par Brothers and Slater Walker companies "were dictated by Slater Walker requirements."

However, in regard to Spydar Securities, the private company in which senior executives of Haw Par and Slater Walker Securities (including Mr. Jim Slater and Mr. Dick Tarling) are alleged to have profited by £1m., Mr. Grundy said that the facts he found "are not only very material to those who have to determine what claims Haw Par may have against former directors and others, but ought also to be examined by the authorities in Singapore and Hong Kong to see whether they constitute criminal offences."

Mr. Grundy stated that much of his information regarding loans to executives had been derived from indirect sources and that Slater Walker Securities had not provided him with any information. He pointed out, however, that "I have not been appointed to investigate the affairs of Slater Walker Securities or its subsidiaries."

The specific brief of Mr. Grundy was to inquire into any improper application of company funds, losses suffered through negligence or fraud, contracts between the company and its directors, whose dealings may be a breach of trust and presentation of false information. His examination has excluded the acquisition by Haw Par in November, 1973, of Slater Walker's holding in SWS of Hong Kong because it is a subject of legal proceedings.

The sudden departure of Mr. Donald Ogilvy Watson, former manager director of Haw Par, and its deputy managing director, Mr. Ian Tamblyn, "has been a considerable hindrance to me," Mr. Grundy said. "The full story has not been easy to unravel and parts of it, as a result of the absence of witnesses, may never be fully told."

Laing Offshore suffers setback in effort to save jobs

BY RAY DAFTER, ENERGY CORRESPONDENT

LAING OFFSHORE has received a major setback, *in its* bid to maintain employment at its Hartlepool offshore platform yard It has lost an order which might have provided work for some 500 employees.

The company now faces making *virtually all of its* 1,800 labour force redundant over the next three or four months.

It had already warned that 1,300 jobs at the Graythorp yard would be in danger by the end of July unless a major platform order was received. So far there has been no sign of such a contract.

The other 500 jobs depended on whether the company would win a contract to build a gas production platform for the Irish sector of the North Sea. It has now been learned that the two platforms earmarked for the Kinsale Head gas field are likely to be built by Continental yards.

Consequently Laing Offshore has told the four signatory unions in the Graythorp yard—the Transport and General Workers' Union, the boilermakers, the engineering workers and the electrical trades—that the labour force will probably be reduced to a "care and maintenance" level.

The two platforms, costing about £5m. each, will be ordered by Marathon Oil from NAPM in Vlissingen, Holland, and UIE, France. Marathon said yesterday that discussions were in the final stage and that contracts were about to be signed.

At the same time, a steel pipeline some 28-34 miles long has been ordered from Mitsui Steel, in Japan. The contract is believed worth about £3m.

The platform equipment modules, each costing £4m.-£5m., have yet to be ordered. Ten companies have tendered for the work, including two from England, three from Scotland and two from Ireland.

Marathon said that its platform ordering decision had been influenced by both price and the completion dates.

Although production from Kinsale Head is due to start in April, 1979, the Irish Government is anxious that the programme should be accelerated by a year. This is because in 1978 gas from the field will be needed to feed Nitrigin Eireann Teoranta's ammonia/urea plant and to power part of Ireland's electricity supply.

The loss of the platform contracts will be a blow to the British construction industry. Several yards—including Portavadie and Hunterston—are badly in need of new orders.

A survey of the oil industry recently conducted by Mr. John Smith, Minister of State for Energy, has failed to bring much hope of early oil industry orders.

The Government is still considering possible schemes put forward by Laing Offshore which might save some jobs. It is understood that the suggestions include the possibility of undertaking fabricating work, perhaps on a sub-contract basis, and the construction of gas platforms on a speculative basis.

However, Ministers and Energy Department officials are concerned that Laing should not undertake speculative work which might preclude it from accepting an oil platform order at some later date.

Tootal to close three mills

BY ROY HODSON

TOOTAL, Britain's third-largest textiles group, yesterday announced substantial mill closures and redundancy schemes involving three mills and 603 workers.

The company says the cuts are the result of poor markets and the competition of *low-cost* textile imports.

Union Mill at Bolton and Waterside Weaving mill at Hyde are to be closed with a loss of 313 jobs in Bolton and 169 in Hyde.

Tootal say that markets are poor for the flannelette cloth produced in the Union Mill and an alternative market for the cloth as furnishing fabric has been eroded by imports.

Waterside Weaving is a victim of the world recession in the synthetic filament trade.

The third mill affected is Sunnyside Weaving at Bolton, where 181 jobs will be lost. Shirtings and similar cloths are woven there and the company is having to cut production because of smaller demand and the continuing inflow of cheap imports.

Tootal, which employs more than 18,000 in the U.K. is reducing its spindle capacity by 4 per cent. and its weaving capacity by 20 per cent. through the closures.

The company said last night: "We are taking measures now to make ourselves trimmer and to enable the group to go ahead in other areas."

Tootal is expected to announce modernisation plans on May 3, when the group's final figures for the year to January 31 are published.

Before the company disclosed the new round of redundancies full consultations were held with the unions involved.

Total employment in the Lancashire cotton and allied sector of the textile trade has fallen by more than 4,000 in the past year to about 78,000 employees. There has also been substantial short-time working.

More cars bought on HP

BY OUR INDUSTRIAL STAFF

MOTOR VEHICLE hire purchase contracts taken out last month jumped to 112,127, according to figures released last night by Hire Purchase Information.

This is a considerable improvement on the previous month's 90,964 and the 95,967 in March last year.

Contracts on new cars increased slightly on the previous year to 21,618, while in the second-hand market the number grew by nearly 10,000 to 63,620.

The number of new commercial vehicles bought on credit in March, at 4,529, was considerably up on the previous month but slightly less than 12 months earlier.

Economic Diary

MONDAY—Third ballot for Labour Party leadership. Two-day meetings of EEC Foreign Ministers and Agriculture Ministers open in Luxembourg. Mr. Tariq Aziz, Minister of Information of Iraq, arrives in U.K. on goodwill visit. Wholesale Price Index (Mar.). Hire purchase and other instalment credit business (Feb.). Retail trade (Feb.-final). National income and expenditure (4th qtr. and year 1975).

TUESDAY—Increase in National Insurance Contributions. Vehicle production and estimates of new car registrations (Mar.-prov.).

WEDNESDAY—Monthly meeting of National Economic Development Council. London clearing banks' monthly statement (mid-Mar.). U.K. banks' eligible liabilities, reserve assets, reserve ratios and special deposits (mid-Mar.).

THURSDAY—Members of CBI, Bank of England EEC Committe, and Association of British Chambers of Commerce, meet M. Henri Canonge, of the Economic and Social Committee of European Communities, Engineering Employers Federation, Tothill, S.W.1. Mr. Len Murray, general secretary of TUC, at Licensed House Managers conference, Blackpool. London Gazette will include Consolidated Fund and National Loans Fund (Mar.).

FRIDAY—Council meeting of *Building Societies Association* to discuss interest rates. British Steel Corporation output figures (Mar.). Index of industrial production (Feb.).

SATURDAY—Welsh TUC conference, Llandudno.

COMPANY NEWS + COMMENT

£6.6m. downturn in Bowater profit

SECOND HALF profits of the **Bowater Corporation** show a drop of £5m. to £27.1m. This gives £52.9m. for the year 1975, against £59.5m. last time.

An £11.7m. advance in the contribution from North America was wiped out by a £9.7m. reduction in the U.K. and a £0.9m. turnround to a loss in Europe.

As forecast with the June rights issue, the final dividend is 4.6p on the higher capital, to make an unchanged 7.1p net total. Earnings are shown at 15.3p, compared with 21p per £1 share.

Profit before extraordinary charges come to £17.7m., and is also subject to £3.8m. of uncovered ACT which has been treated as part of the cost of dividends. This treatment is not in accordance with Statement of Standard Accounting Practice No. 8 for reasons which will be given in the annual report. If the Standard Practice had been applied, profit would be £13.9m. and earnings 12.3p.

	1975 £m.	1974 £m.
Group sales	*1,197.3	1,194.3
Depreciation	21.2	21.9
Loan interest	19.5	15.1
Profit before tax	52.9	59.5
Pulp and paper	47.4	33.7
Packaging	5.2	7.3
Building prods. losses	1.1	1.4
Tissue products	6.1	6.3
Internal trading etc.	[illegible]	[illegible]
Retailing wholesaling	1.2	0.4
Financial losses	0.9	6.5
Unallocated costs	4.3	7.1
Associates share	1.2	3.4
U.K.	4.3	14.2
N. America	39.1	41.4
Europe loss	4.0	[illegible]
Far East loss	—	0.3
Australasia	4.3	1.3
Other	0.1	[illegible]
Taxation	30.4	32.7
Net profit	22.8	26.9
Minorities	4.7	4.3
Extraordinary debits	27.4	2.1
Preference dividend	0.3	0.3
Ordinary	6.7	7.4
ACT	3.8	—
From holders' funds	2.1	11.7

*Pulp and paper £581.2m. (£514m.), packaging £60.2m. (£48m.), building products, etc. £72.8m. (£75.8m.), tissue products £96.2m. (£72.8m.), international trading and transportation £172.3m. (£183m.), retailing and wholesaling £104.7m. (£85.3m.), financial £31.8m. (£27.1m.). † Profit. ‡ Comprise £2.5m. estimated balance of Bowater liability under guarantees relative to Lewsian International (being some £0.3m. less than estimate with rights issue last June), a net £4.9m. for extraordinary losses written off or provided upon reorganisation or disposal of number of businesses, and £4.6m. off goodwill. However, as goodwill has always been set against Ordinary holders' funds, the last amount is offset by an equivalent transfer from reserves.

The accounts will be posted on April 22 and the meeting held in London on May 14.

See Lex

INDEX TO COMPANY HIGHLIGHTS

Williams & Woods pays less

DUBLIN based makers of jams and confectionery, etc., **Williams and Woods**, incurred a loss of £329,351 in 1975, and is cutting its dividend from 6.875p to 2.5p gross per 25p share. In 1974, the company earned a profit of £20,160.

The loss is attributed to costs of moving to Tallaght, the economic recession, and failure to complete of the contracted purchaser of the Parnell Street premises.

When looking at the medium term prospects last year, the directors said they hinged on one major factor—completion of the sale. They then also hoped to pay a reasonable dividend out of reserves.

Turnover in 1975 came to £4.91m. (£3.79m.).

Courtney Pope 100% scrip

Courtney Pope (Holdings), shopfitters and electricians, is lifting its interim dividend from 1.05p to 1.5p net per 20p share, and proposes to make a one-for-one scrip issue. Total dividend for the year to May 31, 1975 was 3.524p.

The interim report and chairman's statement will be issued next Thursday.

British Debt cuts losses

A REDUCED net loss of £167,000, against £349,000, was incurred by **British Debt Services** in the half year to December 27, 1975, after exceptional debits of £129,000 this time.

The exceptional items include £85,000 representing all the loss anticipated to be incurred in the cessation of trading of a subsidiary, V. Carratu and Company.

Every effort continues to be made to cut costs, reduce bank borrowings and return the company to profitability, says the chairman, Mr. J. Bentham.

For the year to June 28, 1975 there was a loss of £364,284.

	Six months 1975 £000	1974 £000
Group turnover	971	1,257
Trading loss	38	248
Exceptional debit	129	—
Net loss	167	349

There is no interim dividend. The last payment was an interim of 1.4p net per 10p share in respect of 1973-74.

● comment

While stringent cutting of costs—down £450,000—has helped **British Debt Services** to reduce trading losses by 84.8 per cent., the latest net interim losses have wiped out shareholders' funds, producing a deficiency of £97,000. And now the company is continuing operations only with the full support of its bankers. This support, apparently, stems from BDS's ability to generate enough cash flow to reduce net borrowings by £83,000 so far, to around £900,000.

The paradox here is explained by the continued recovery of "bought" debt which while generating cash, also produces book losses on the debts purchased in 1973. Turnover is down 22.5 per cent. because of this progressive rundown of "bought" debt. At 8p, down 2p, the company is capitalised at £180,000.

£0.38m. loss at L. C. Edwards

As forewarned at midway, Louis C. Edwards and Sons (Manchester) has incurred a pre-tax loss for 1975—it turns out to be £375,740 compared with a profit of £95,087 for the previous 12 months. Again there is no dividend.

The directors say however, that losses suffered in the second half—at halfway the profit was £90,142 (£122,884)—have been curtailed and the policy of eliminating unprofitable units continues. The sale in February 1976 of an abattoir unit at Dukinfield is typical of this policy.

Turnover at £20.99m. (£22.26m.) for the year was lower mainly due to closure of unprofitable units. After adjustment for closures the comparative figure for 1974 is £20.1m.

Development of profitable sectors continues and the group has adequate financial resources for its foreseeable needs.

The company operates as butchers, meat canners and processors.

	Year 1975 £	1974 £
Turnover	20,991,389	22,262,080
Loss before tax	375,740	†95,087
Tax credit	195,296	55,452
Net loss	180,444	†39,635

†Profit. ‡Debit.

Lower deficit for Armour

A REDUCED pre-tax loss of £115,000, against £321,000, is reported by Armour Trust for the half-year to October 31, 1975. The deficit for the year 1974-75 was £740,000.

There is no interim dividend. The last payment was 0.2p net per 10p share for 1973-74.

	Half year 1975 £000	1974 £000
Pre-tax loss	115	321
Tax recoverable	22	—
Minorities	3	[illegible]
Extraordinary debits	178	50
Deficit	256	353

* Loss.

The sale of Domestic and General Insurance, which took place last month, is not reflected in the half-year results, except to the extent that profits of D and G and the interest on the loan stock cancelled have been excluded, it is stated.

● comment

Enhanced trading profits, primarily from the confectionery business which more than offset colour TV losses, have reduced **Armour Trust's** interim pre-tax losses by 64 per cent. Interest charges, a result of its £5m. property portfolio, continued to depress results above and below the line: net losses are down by only 33.5 per cent. because of Armour's decision to charge all interest relating to its Belgian property holding to p and l against the previous policy of capitalising part of it. But the load will be lightened somewhat with the sale of a Belgian property for £1m. this month on a guaranteed rent basis, which will reduce net borrowings from the current £5m. Still, it has a long way to go to divest itself of its large property holdings, which will bear heavily on results until their disposal, for which preliminary negotiations are going on. The sale of Domestic and General Insurance has raised net worth from £1.6m. to £2m. after taking into account the interim losses.

At 5½p, the company is capitalised at £640,000.

Vavasseur £0.3m. in first half

FOR THE six months ended December 31, 1975, the J. H. Vavasseur Group has made a profit of £312,000, and has not considered it necessary to make any additional provisions for unrealised losses.

The result excludes profits on disposals of properties by subsidiaries in liquidation or receivership, which amounted to £160,000, until provisions in respect of those companies are re-assessed at the year end.

Also, the profit on the sale of the investment in BEM amounting to £[illegible]0,000 is not reflected. The disposal took place on January 30 this year.

Turnover in the six months came to £8.83m., excluding the banking subsidiary. In the previous year ended June 30, 1975, turnover totalled £22.16m. and there was a pre-tax loss of £3.86m. after providing over £3m. for unrealised losses mainly relating to the banking side.

No Preference dividends are being paid for the period.

	6 mths. 1975 £000	Year 1974-75 £000
Turnover	8,834	22,161
Profit before tax	312	*3,861
Tax charge	319	425
Minorities	34	145
Attributable loss	61	3,561

* Loss.

The 82 per cent. interest in BEM was sold for £1.59m., which was used to settle outstanding inter-company indebtedness to BEM and to reduce borrowings. Book value of the investment in BEM, after provisions for unrealised losses set up in prior years, amounted to £1,107,000.

Mills and Allen International, the Vavasseur subsidiary formed to acquire British Lion Films, reports a profit of £423,000 for the six months ended December 31, 1975, after providing £60,000 for businesses sold or discontinued.

Earnings are stated at 0.37p per 25p share. The Preference dividend due on March 31 has been deferred until the full year's results are known.

	6 mths. 1975 £000	13 mths. 1974-75 £000
Turnover	7,197	17,993
Businesses sold	60	423
Other losses	—	425
Profit before tax	425	371
Taxation	219	647
Net profit	173	*212
Minorities	5	17

* Loss.

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GKN bond issue

The final terms have now been agreed for a **Guest Keen and Nettlefolds Finance BV** DM100m. Bond issue.

In view of the changed market situation, the final terms have been fixed with an annual coupon rate of 8 per cent. and an issue price of 99½, which gives a yield of 8.1 per cent.

H. & J. Hill record

From increased turnover of £2.36m., against £1.76m., profits before tax of the H. and J. Hill Group rose from £55,600 to a peak £116,500 in 1975. Stated earnings per 10p share were up from 5.05p to 3.87p.

Profits for the first six months had increased from £35,700 to £69,084 but the directors considered then that the rate of profit earned was unlikely to be maintained in the second half.

The net final dividend is 1.18625p making a total of 1.7875p compared with 1.675p previously.

The Willenhall-based group trades as manufacturers of iron castings and annealing cans.

	Year 1975 £	1974 £
Turnover	2,360,230	1,757,855
Depreciation	33,940	25,499
Bank, etc., interest	36,352	38,218
Loan interest	18,034	—
Plant leasing	59,314	30,712
Rents received	500	656
Profit before tax	116,500	55,600
Tax	59,136	33,446
Extraord. credit	12,073	—
Retained	59,435	21,585

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Bowater	4.6†	July 3	4.6	7.1	7.1
Breedon & Cloud Hill	3.81	—	3.47	5.31	4.87
British Printing	2.18	June 9	2.18	3.18	3.18
City of Lon. Brew. 3rd int.	0.5	May 28	0.45	—	2.0
Courtney Pope ....int.	1.5	—	1.05	—	3.52
East Sussex Eng. 2nd int.	1.79 (c)	May 11	0.45	2.38	0.9
Elys (Wimbledon)	1.59	June 5	1.59	2.26	2.26
H. & J. Hill	1.18	—	1.11	1.79	1.68
London Scottish Fin. int.	0.7	May 21	0.7	—	1.7
Scott's Restaurant	1.57	—	1.43	1.57	1.43
Transatlantic Trust int.	19.59(a)	April 30	18.94	19.59	18.94
Williams & Woods	2.5 (b)	—	4.37	2.5	6.87

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) Net of Jersey tax. (b) Gross throughout. (c) As forecast in offer, Treasury permission indicated.

Greenfield Milletts' optimism

"WE ARE optimistic that 1976 will again prove to be a most successful year," said Mr. John Greenfield, joint managing director of **Greenfield Milletts**, the leisure, retail and wholesale group, at yesterday's annual meeting.

Mr. Greenfield reported that the 1975 second-half profit recovery had continued into the current year with satisfactory gains in all areas, particularly in the Wholesale Division which had made an "excellent" start.

The cash flow position continued to be sound, he added, with tight control of overheads, and working capital.

By the end of 1975 the Estates Department completed a five year modernisation programme, an investment the directors were confident would pay dividends over the coming years. Other new branches were under active consideration, Mr. Greenfield said.

Breedon & Cloud Hill earns more

TURNOVER FOR the year to January 31, 1976 of Breedon and Cloud Hill Lime Works increased from £2.05m. to £2.56m. and pre-tax profit advanced from £561,471 to £673,122, after £407,044, against £305,210, for the first half.

Stated earnings per 25p share for the year increased to 11.34p from 9.71p. A final dividend of 3.808p raises the net total from 4.974p to 5.308p.

Net profit was £313,101 against £255,839, after tax of £360,021 (£305,832).

● comment

Breedon's full year profits have finished a fifth higher before tax; but that still reveals a sharp slowdown in growth in the second six months. Sales growth eased from 33 per cent. to 17½ per cent. over the two half years and within that there must have been a sudden drop in the rate of increased volume. Demand is beginning to show signs of picking up in the current year and, though margins may still be under some pressure from delays in passing on cost increases, the group has both a steady growth record and a sound liquid position—it has no borrowings and a cash balance in excess of £140,000. So, although any dramatic growth seems unlikely the shares, which at 85p yield 10 per cent., have a reasonably firm base.

BIDS AND DEALS

Lonrho terms for Lubok altered

LONRHO, the mining and industrial group, has altered the terms of its offer for Lubok Investments to take account of the drop in the Lonrho share price since the original offer was made—it dipped from 120p to 98p last night, reflecting the group's large African interests.

The new terms are 12 Lonrho shares, after a one-for-five capitalisation issue is taken into account, for every 70 Lubok. This values each Lubok share at around 14p: the price ended ½p better last night at 13p.

Loan Stock holders will receive 430 Lonrho (ex the one-for-five scrip) for every £400 of stock.

The original offer was accepted in respect of Mr. Jim Slater's holding of 2.67m. shares, worth under the new terms approximately £375,000 against almost £430,000 last month under the old terms.

Lubok, which has sold most of its interests, currently owns property worth £370,000 at current prices and a portfolio of equities and gilt edged securities, and has a large cash holding. Net tangible assets are thought to be in the region of £2m. The group has a tax loss situation of £1.28m.

EAST SUSSEX ENGINEERING

East Sussex Engineering Group has declared a second interim dividend, in lieu of a final, in respect of 1975 of 1.79p net per 10p share. Holders accepting the Aurora offer will be able to retain the dividend to which they will become entitled.

The proposed dividend was referred to in the letter of March 19. H.M. Treasury has indicated that its consent will be given to payment.

Following the announcement by Aurora that it had obtained control of East Sussex, the Board of the latter, in consultation with financial advisers, S. G. Warburg and Co., has taken the view it would not be in the best interests of holders to remain as minority holders, and accordingly recommends acceptance. The directors intend in respect of their own holdings amounting to approximately 16.2 per cent. either to accept the offer or to sell their shares.

HARDYS 185p FOR EMU

Thomas Hardy and Sons Pty. proposes to make a revised offer of £1.85 for the shares of Emu Wine Holdings, thereby matching the rival bid from Western Australian Worsted and Woollen Mills.

Members of the Chaplin family have accepted the revised offer in respect of 30.6 per cent. of the Emu capital: other acceptances and purchases bring Hardys total acceptances up to 33.7 per cent.

On behalf of a number of Emu holders, Hill Samuel has lodged with W.A. Wool withdrawals of acceptances of its offer in respect of 3 per cent. Therefore, W.A. Wool's total acceptances as announced on March 26, less withdrawals, would be 7.5 per cent. in addition to the 32.49 per cent. it already owns.

The Hardys offer is extended and the revised offer will be open until April 20.

MORGAN-GRAMPIAN

Clients of United Overseas Bank, Geneva, have contracted to purchase from Mr. M. M. Geffen and from Mr. Graham Sherren respectively 1,283,000 and 770,000 Ordinary shares of Morgan-Grampian at $US2 per share. The total represents 20 per cent. of the Ordinary.

Mr. D. Abramson and Mr. S. P. M. Pegg have been appointed to the Board of M-G as nominees of the purchasers.

Following the sale Mr. Geffen and his family interests will retain 796,654 Ordinary and Mr. Sherren will be the largest individual holder with 1,260,876 shares. The two holdings amount respectively to 7.7 and 12.3 per cent. of the Ordinary.

With regard to the announcement last February concerning the approach from Communica-Europa, M-G states that no discussions have taken place in recent weeks and no formal offer has been received.

SENIOR ENG. BUYS OZONAIR

The Senior Engineering Group has, through its subsidiary Senior Engineering (Air-O-Plas), agreed to acquire Ozonair Engineering Co. for £760,000 cash—£660,000 immediately and the balance in March, 1977.

Ozonair of Aylesford, near Maidstone, designs and manufacturers air filtration, air handling and air distribution equipment. Latest consolidated accounts at January 4, 1976 show net assets of £815,000. Profit before tax for 1975 was £59,000 before charging rationalisation and moving costs totalling £50,000 in connection with the closure of a factory at Rochester.

CHADDESLEY BID LAPSED

Joseph Sebag announces that the offer made on behalf of Compagnie Auxiliaire Pour L'Industrie for the Ordinary shares of Chaddesley Investments has lapsed.

Acceptances were received in respect of 18,180 shares, which with the 1,728,912 held before the offer, represented 47.08 per cent. of the capital.

SW UNIT TRUST MERGER APPROVED

At the adjourned meetings of unit holders in Slater Walker Scottish Trust, Slater Walker Shamrock Trust and Slater Walker Domestic Trust, the extraordinary resolutions to effect the amalgamation were passed.

BOUSTEAD SALE

Boustead announces that Kuala Kampar Tin Fields has now exercised its option to purchase the 280 acres of the Taiping estate in Malaysia, as agreed under the option agreement dated August 8, 1975.

Consideration will be approximately £343,000 representing the balance of the purchase price of approximately £457,000.

Proceeds will strengthen the cash resources of the Boustead group.

FELIXSTOWE DOCK

European Ferries announces that acceptances have been received of its offer in respect of 3,149,123 Ordinary stock units of Felixstowe Dock and Railway which, with 63,000 purchased before the offer, represent 91.9 per cent. of the total. The offer is extended to Friday, April 23.

NEWELL DUNFORD

Newell Dunford Engineering has completed arrangements with the receiver of Watford Engineering for the acquisition, for about £280,000, of all rights to the product line previously designed, manufactured and sold by Watford.

Newell Dunford is the engineering arm of the Dunford and Elliott Group. It says that the recent announcement by the Department of Industry of £25m. in grants to assist in the use of indigenous raw materials in the manufacture of paper is indicative of the importance attached by the U.K. and other Governments to the recycling of waste paper.

The acquisition will allow a substantial increase in the amount of equipment exported and will provide a "very substantial opportunity" for growth.

UNIT TRUSTS

Jascot Commodity share offer

Yielding an estimated 6.5 per cent. gross, the Jascot Commodity Fund is on offer this week from Arbuthnot Securities in Edinburgh. The minimum investment requirement is £300 and the charges are 5 per cent. initially and ½ per cent. per annum. The managers point out that as the world economic recovery continues a renewed demand for raw materials should be reflected in higher commodity prices. The main sectors in the portfolio are international merchants, tin and rubber and tea.

● comment

The advertisement for the Jascot Commodity Fund makes considerable play of the fact that it is an established commodity fund with five years of experience behind it. Indeed the performance has been good over the five-year haul, but there have been ups and downs in between. In a nutshell, investors in commodity funds can expect them to have greater fluctuations than general equity funds but the argument in their favour is that ultimately they are on the winning side.

LAWSON AMERICAN

The Lawson American Fund is being advertised by Lawson Securities with a minimum application requirement of £100. The fund is a unit trust investing in a portfolio of prime and secondary stocks in the U.S.A. and Canada—amounting to 30 altogether. The estimated gross yield is 2.3 per cent.

● comment

Having taken some time to slough off the performance record of the previous managers of this fund, Lawson Securities now seems to be showing its paces with the Lawson American Fund. With Wall Street hovering round the 1,000 barrier for the DJ Industrial Average, the question now is whether the real breakthrough to new heights will eventually come.

S & P SCHEME

Save and Prosper Group is drawing investors' attention this week-end to the Save and Prosper Investment Bond. It is emphasising the advantages to the higher-rate taxpayer of the withdrawal scheme in order to provide a tax-free income up to 5 per cent. of the outlay. The underlying portfolio is a mixed fund of equities, property and fixed-interest.

● comment

Withdrawal schemes are a useful vehicle for higher-rate payers looking for income. The Finance Act 1975 enables investors to withdraw 5 per cent. of their investment free of all taxes for a maximum period of 20 years. The investor does however face a higher rate liability when the underlying bond is cashed in but this can usually be arranged to take place when the investor's tax liability has been reduced, as for example after retirement. Save and Prosper is offering its scheme attached to the Save and Prosper Investment Bond, a mixed fund with a steady record.

TARGET PREF.

Target Trust managers are advertising the Target Preference Share Fund this week-end, yielding an estimated 12.15 per cent. gross. The portfolio is invested in a wide spread of preference shares and the minimum investment is £300. There is available both a share exchange and a monthly savings scheme.

● comment

High income funds have been the best sellers in the unit trust market and Target Preference Share Fund offers investors a high initial yield. But investors must remember that preference shares are fixed interest investments and although the level of future income is stable, the prospects for future increases are very limited.

JASCOT PREF.

Arbuthnot Securities is also offering investors the Jascot Preference Share Fund this week-end, yielding an estimated 13.2 per cent. gross. The fund is invested in a wide spread of preference shares, mainly in industrial companies (83 per cent. with some holdings in investment trust preference shares (13 per cent.) and waterboards (4 per cent.). The minimum investment is £300 and accumulation units are available, and there are both a share exchange and a monthly savings scheme.

● comment

The Jascot Preference Share Funds is offering one of the highest yields in the unit trust field and has achieved this by investing in high-yielding fixed-interest preference shares. There is thus little scope for future increases in income, and capital appreciation depends very much on interest rates moving to a lower level.

ABBEY NATIONAL PROPERTY

The Abbey National Property Growth Bonds are on offer this week-end and have a minimum investment requirement of £250. Half the money goes to the Abbey National Building Society to provide a steady return and solid security whilst the other half is invested in sound U.K. and overseas property via the Property Growth Fund. The target is consistent growth over the long-term and the explanatory booklet is available through any of the 375 Abbey National branches.

● comment

The point about the Abbey National Property Growth bond is that it is an unusual hybrid which tries to get the best out of both fixed-interest investment and the growth potential of direct investment in property. Naturally, the growth potential is more limited than that of a pure property bond but then so are the risks. There is also the siren whisper of a "sympathetic ear" for a mortgage if one buys the bond.

TARGET COMMODITY

With a minimum holding requirement of £300, the Target Commodity Fund is on offer from Target Trust Managers. A share exchange scheme is available. The portfolio is managed by merchant bankers Dawnay Day and the estimated gross annual yield 4.60 per cent. The managers stress the hedge against currency devaluation which is inherent in a commodity fund.

● comment

The Target Commodity Fund is fairly new in its present form in that it used to be the Target Consumer fund. This means that the past record is no great guide to future prospects, but the arguments in favour of commodities are the same for all the funds in this field and Target is a well-established group.

ABBEY LIFE PENSIONS

Abbey Life Assurance is drawing the attention this week-end of directors and the self-employed to the question of pension provision. The company offers the Directors and Executive Retirement Plan to top personnel in companies as the scheme for providing pensions and the Personal Retirement Plan to the self-employed. These plans are designed to provide maximum flexibility in pension benefits and the maximum tax relief on the pension contributions.

● comment

Directors of companies and the self-employed should think not only of their employees' pension provision but of their own. Abbey Life has two contracts—the Directors and Executive Retirement Plan and the Personal Retirement Plan—to meet such pension requirements. The investment choice covers the whole range available — property, equity, managed or security funds, and investments can be changed every year. The company also offers a guaranteed basis with a return of 13 per cent. per annum. These schemes are approved so that maximum tax relief is available, and interested persons should act at once if they wish to get relief for the current tax year.

Expansion at Victor Products

The directors of Victor Products (Wallsend)—mining and lighting equipment—say that for the second half of the current year, the outstanding order book is higher than desirable and steps have been taken to increase production still further.

This will help balance the higher wages and other cost increases to be borne in the half year, they say. Planned expansion is going ahead to meet the higher demands on overall production as it develops.

As reported, pre-tax profits for the first six months to October 31, 1975, were up by £80,409 to £339,449 and the interim dividend is 1.083p (0.985p) net—the previous total was 2.484p from pre-tax profits of £531,333.

Sime Darby questioned

It is reported from Singapore that the Singapore Stock Exchange has asked Sime Darby, the British concern with Far Eastern interests, to supply a copy of the Board resolution which decided against seeking a listing for 45.9m. shares on the Kuala Lumpur Stock Exchange.

The request apparently follows a four-page letter sent to the Singapore authorities by Sime Darby explaining and defending its actions. The issue of shares relates to the redemption of 5½ per cent. Convertible Guaranteed Bonds 1988, of Sime Darby International Finance.

At the centre of the argument is the question of whether overseas companies with a listing on the Kuala Lumpur Stock Exchange should submit to the jurisdiction of the Malaysian Capital Issues Committee before they may issue any new shares. Sime Darby is believed to be among a number of companies that have part of their capital unlisted in Kuala Lumpur.

Elys (Wimbledon) downturn

Pre-tax profit of departmental stores and drapers, Elys (Wimbledon), contracted sharply from £160,981 to £64,314 in the year to January 3, 1976, after a loss of £16,176, against a profit of £19,386, for the first half. Turnover for the year was up from £3.34m. to £3.61m.

Stated earnings per 25p share decreased from 8.46p to 2.55p. A final dividend of 1.594p makes a same again net total of 2.264p.

	1975 £	1974 £
Gross sales	3,607,178	3,336,523
Depreciation	46,995	32,344
Interest charged	121,544	129,357
Pre-tax profit	64,314	160,981
Taxation	33,183	82,444
Pension fund	—	5,000
Net balance	25,211	72,537

CAVENHAM BUYS

Cavenham's wholly-owned Swedish subsidiary, Cavenham AB, has acquired the 25 per cent. of AB Felix previously held by Svenska Sockerfabriks AB. This move is in line with Cavenham's stated policy of simplifying its group structure—Cavenham now beneficially owns all the share capital of Felix.

Results due next week

Next week looks like being a particularly busy one on the company news scene with plenty of important results scheduled to appear. The list headed by **Rio Tinto-Zinc**, also contains a strong representation from the insurance sector in **Sun Alliance, Phoenix Assurance and Guardian Royal Exchange**, as well as a major builder, **George Wimpey**. Other names which stand out are **Rowntree Mackintosh, Bank of Scotland** and the two mail order groups **Grattan Warehouses** and **Freemans (London SW9)**.

After the 57½ per cent. drop in profits at the interim stage, **Rio Tinto-Zinc Corporation** is not expected to produce net profits much higher than £32m. for the full year compared with £62.5m. in 1974. At this level, earnings per share would not go much above 13p after the 27.7p level previously. The chief problem for the group over the year was the fall in copper prices. The outlook is improved from now on, however, and with the growing interest in uranium 1976 is expected to see a strong recovery. Preliminaries are due on Friday.

Preliminary results from **Sun Alliance and London Insurance, Phoenix Assurance and Guardian Royal Exchange Assurance**, all due on Wednesday, are expected to underline the extent to which the destinies of British insurance groups this year have been tied to their involvement in U.S. business. Guardian Royal, which has minimal U.S. operations, is expected to produce underwriting profits of some £3.5m. after the £7.5m. loss here in 1974 and with the rights issue, pre-tax profits are estimated to have been boosted to some £47m. against £28.4m. In contrast, Phoenix, which operates through Continental in the U.S. is thought to have suffered an £8m. underwriting loss although a 43 per cent. increase in investment income could put pre-tax profits at £17m. against £10.7m. Sun Alliance, with problems in the U.K. household and marine areas in the second half is expected to turn in around £36m. (£22.7m.) after an underwriting loss of just £1m., more than offset by an £8m. rise in investment income.

A buoyant order book from overseas, where the work-load was up 76 per cent. at half-time, is expected to have pushed **George Wimpey's** full-year pre-tax profits to possibly above the £39m. level last year compared with £33.4m. in 1974. In the U.K. there have been some black spots, although the overall position has probably improved bearing in mind the 25 per cent. increase in public authority housing completions. The preliminaries are due on Thursday.

On the sales forecast made at the interim stage of some £300m. for 1975, pre-tax profits due from **Rowntree Mackintosh** on Thursday are expected to reach about £19m. against £14m. in 1974. An increase in overseas sales is thought to have helped but the group should also have felt the benefits of its higher prices and writing loss although a forecast the stabilisation of commodity prices.

Although showing a 15 per cent. drop at the operating level **Bank of Scotland's** interim profits in September compared favourably with those of the London clearers. The parent clearing bank profits did decline but the growth achieved by the non-clearing interests, particularly North West Securities and Bank of Scotland Finance, helped to offset this. A small decline in full year operating profits—£22.5m. to around £19.3m.—seems inevitable, given that loan demand is still sluggish, but lower additional provisions should leave the pre-tax level a couple of million higher at around £15.8m. The prelims are due on Tuesday.

After putting up contrasting performances at mid-term, the two mail order independents—**Grattan and Freemans**—are both expected to report slightly improved annual profits on Monday against last time's £5.9m. and £7.04m. respectively. Pressure on consumer spending coupled with higher costs probably led to a stagnant second half at Grattan following its interim pre-tax increase of 16 per cent. At Freemans, greater emphasis on cost containment in the second half, after the 3.4 per cent. interim profits decline, is expected to have pushed full year profits slightly higher.

Other results expected next week include the prelims of **Reckitt and Colman** and the half year figures from **Kwik Save Discount Group** and **Highland Distilleries** on Monday. **Metal Closures Group** and **W. H. Smith** are announcing their finals on Wednesday while Thursday should bring the annual results of **Morgan Crucible, Bridon, Bowthorpe Holdings, Ready Mixed Concrete** and **British Rollmakers** and the interim profits from **Smiths Industries**. The full year figures from **C. T. Bowring** are expected on Friday.

Company	Announcement due	Dividend (p)* Last year Int.	Final	This year Int.
FINAL DIVIDENDS				
Aberthaw & Bristol Channel Portland Cmt	Thursday	—	[illegible]	—
Alexanders Holdings	Tuesday	—	[illegible]	—
Bank of Scotland	Tuesday	[illegible]	[illegible]	[illegible]
Baxter Fell and Co.	Wednesday	2.355	[illegible]	[illegible]
Beauford Group	Thursday	0.975	[illegible]	[illegible]
Berwick Timpo	Thursday	0.65	[illegible]	[illegible]
Henry Boot and Sons	Thursday	—	[illegible]	[illegible]
C. T. Bowring	Friday	[illegible]	[illegible]	[illegible]
Bowthorpe Holdings	Thursday	[illegible]	[illegible]	[illegible]
Bridon	Thursday	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Company	Announcement due	Dividend (p)* Last year Int.	Final	This year Int.
Noble and Lund	Monday	Nil	Nil	Nil
Owen Owen	Thursday	[illegible]	[illegible]	[illegible]
Phoenix Assurance	Wednesday	[illegible]	[illegible]	[illegible]
Ready Mixed Concrete	Thursday	[illegible]	[illegible]	[illegible]
Reckitt and Colman	Monday	[illegible]	[illegible]	[illegible]
Rio Tinto-Zinc Corporation	Friday	[illegible]	[illegible]	[illegible]
Rotork	Friday	[illegible]	[illegible]	[illegible]
Rowan and Boden	Thursday	—	1.065	—
Rowntree Mackintosh	Thursday	1.15	2.06	[illegible]
W. H. Smith and Son (Holdings)	Wednesday	[illegible]	[illegible]	[illegible]
C. W. Sparrow and Sons	Monday	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
INTERIM DIVIDENDS				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
INTERIM FIGURES ONLY				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

* Dividends shown net pence per share and adjusted for any intervening scrip issue. [illegible]

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

The London Take-over Panel has given its approval to compromise proposals put forward by the Malaysian Government's **Pernas Securities** to solve the deadlock over the Pernas/Haw Par obligation to make a bid at just over 197p per share for the outstanding equity in London Tin. The bid requirement was triggered last June when Pernas and Haw Par, which hold respective stakes of around 20 and 30 per cent. in London Tin, announced a planned link-up which later proved abortive. The proposals now formulated involve a Malaysian company associated with Pernas offering investment currency equivalent, with the dollar premium, to the mandatory bid price for the rest of the LT equity. However, for the bid to proceed, a Scheme of Arrangement must first be sanctioned and all necessary exchange control consents obtained. Also the problem over Haw Par's 30 per cent. stake must also be resolved. Being Singapore-based, the company is not eligible for the dollar premium element in the bid. However, it is thought that Haw Par may agree to place its stake in the U.K., the current stock market price for an LT share being 163p. The U.K. purchaser would then be entitled to the benefit of the dollar premium.

Agreement has been reached between **Lonrho and Lubok Investments** on improved share-exchange terms for the take-over of the latter by Lonrho. Lubok is now valued at £3.4m. compared with £3.1m. under the original terms. **Thorn Electrical** has made a recommended 12p per share cash offer for the television rentals and electrical retailing concern **Stanwood Radio**, which recently declared an estimated trading deficit of about £0.9m. for 1975. Stanwood's directors and certain associated shareholders, together holding some 40 per cent. of the company's equity, have undertaken to accept. However, **Electronic Rentals**, holders of an approximate 23 per cent. stake in Stanwood, has yet to reveal its intentions.

The private concern **Ferguson Securities**, through its wholly-owned subsidiary **Birmingham and Midland Counties Trust**, is offering 33p cash per share for the shares not already owned in textiles concern **Wm. Reed**. This follows the purchase by BMCT of 11.7 per cent. of the Reed equity at the bid price, raising its holding to 41½ per cent. The Reed directors, however, consider the bid to be inadequate and advise shareholders to reject it. Furthermore, Reed has stated that discussions are being held which may lead to a rival offer for the company.

Charles Clifford, the non-ferrous metal manufacturers and metal sprayers, has received a bid approach from an unnamed party. The Board advises no action by shareholders until further details are announced. The Clifford shares have risen to 107p, capitalising the company at £0.95m.

Prices in pence unless otherwise indicated.

Company bid for	Value of bid per share k	Market price k	Price before bid	Value of bid (£m's) k	Bidder	Final Acc'ce date
Alliance Alders	49½*d	45½	41	8.5*d	Jeffrsn. Smrfit.	—
Ashbourne Invs.	20b	41½	41½	—	Cnt. & Shrwd.	—
Assam Cons.	23	18½	18½	0.3	Hampton Tst.	—
Baird (Hugh)	36bd	34½	17½	1.7bd	Manbre & Grtn.	—
Bolands	27b	29	20	2.1b	Barrow Milling	—
Broxlea Hldgs.	25*	23	16	0.2	A. F. Bulgin	—
Burton (M.) Prop.	75*d	71½	46½	3.9*d	Burton Group	—
Cathay Secs.	20*d	29½	15	5.0*d	Bowater Corp.	—
Chaddesley Invs.	8½*d	12½	6	0.1*d	Cie. Aux. Pour L'Industrie	—
Ciro Holdings	13½d	10½	14	0.6d	Howard & Wyndham	—
Clover Dairies	169	162	92	10.1	Nthrn. Foods	—
Coated Metals	143*	141	75	1.6*	Walker (C.)	—
Dares Estates	2*d	12½	12½	0.03*d	Privte. Consim.	—
E. Sussex Engrg.	30*d	29½	22½	1.9*d	Aurora Hldgs.	13/4
Emu Wine	185*d	185	127	1.9*d	Western Aust. Worsted	14/4
Emu Wine	182½*	185	170	2.7*	Thos. Hardy	7/4
Felixstowe Dock.	130*	154	90	3.2*	Brit. Transport Docks Board	—
Felixstowe Dock.	170	154	132	3.9	Erpn. Ferries	23/4
Highgate Optical	39*d	37	35	0.3*d	Bayfine	—
Indonesia Cons.	13½*d	12½	9	2.2*d	Bowater Corp.	—
Lubok Invs.	14g	13g	10½	3.4g	Lonrho	—
New Ireland Ass.	110*d	120	96	3.8*d	PMPA Insur.	—
Reed (Wm.)	33*d	38	29	0.5*d	Ferguson Secs.	—
Ritz Hotel Ord.	600*	600	650	1.8*	Trafalgar Hse.	—
Ritz Hotel Pfd.Ord.	600*	609	609	0.9*	Trafalgar Hse.	—
Selukwe Gold	22*d	22	17	0.16*d	Energy Fin. & Gen. Tst.	—
Stanwood Radio	12*	12	9½	0.6*	Thorn Elec.	—
Stigwood (R.)	30*d	46	41½	3.5*d	Polygram	—
Totalisators & Greyhound	15	14½	14	0.6	Ladbroke	—
Warwick Eng.	26	23½	21	1.6	Gidney Ind. Invests.	—

* All cash offer. b Cash alternative. c Partial bid. d For capital not already held. e Combined market capitalisation. f Date on which scheme is expected to become operative. g Based on 2/4/76. k Based on 1/4/76. ‡ At suspension. † Bid.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Appleyard Group	Dec. 31	991	(879)	8.0	(6.6)	4.0	(3.675)
APV Holdings	Dec. 31	9,193	(6,549)	38.2	(26.3)	9.291	(8.706)
Ash & Lacy	Dec. 31	1,106	(1,212)d	13.6	(17.4)	5.4	(4.948)
Associated Book	Dec. 31	1,719	(971)	17.2	(7.4)	3.271	(3.0)
Burr & Stroud	Dec. 31	304	(763)	15.0	(37.3)	4.826	(4.523)
BBA Group	Dec. 31	6,266	(3,964)	8.6	(5.0)	2.59	(2.42)
Biddle Holdings	Dec. 31	734	(460)	8.3	(6.0)	5.434	(5.0)
Bifurcated Engrg.	Dec. 31	688	(864)	4.7	(6.9)	2.75	(2.573)
Booker McConnell	Dec. 31	16,132	(13,947)	22.0	(20.6)	5.76	(5.4)
H. Brammer	Dec. 31	2,509	(2,282)	12.2	(11.1)	4.22	(3.96)
Brent Chemicals	Dec. 31	1,082	(702)	12.0	(7.8)	1.925	(1.53)
Clifford's Dairies	Dec. 31	632	(250)	0.0	(6.0)	3.104	(2.909)
Coltness Group	Dec. 31	597	(401)	5.8	(3.8)	1.478	(1.365)
Cmbnd. Eng. Strs.	Jan. 31	[illegible]	(3,505)	11.9	(9.6)	2.839	(2.473)
Dorada Holdings	Dec. 31	364	(387)	4.8	(2.9)	3.76	(3.76)
EC Cases	Dec. 31	139	(386)	2.6	(5.7)	1.267	(1.187)
Erith	Dec. 31	840	(741)	8.6	(7.2)	4.315	(4.155)
Expanded Metal	Dec. 31	2,511	(2,436)	7.7	(7.8)	3.74	(2.568)
James Fisher	Dec. 31	648	(781)	15.6	(18.4)	2.483	(2.327)
Fothergill & Hrvy.	Jan. 3	720	(806)	7.0	(8.9)	5.056	(5.056)
L. Gardner	Dec. 31	733	(854)	9.1	(10.4)	5.0	(5.0)
Gibbs & Dandy	Dec. 31	260	(244)	3.0	(2.5)	1.481	(1.388)
Grindlays Hldgs.	Dec. 31	8,008L	(6,971)L	—	(—)	Nil	(1.685)
Hanger Invests.	Dec. 31	101	(28)L	1.2†	(—)	Nil	(Nil)
House of Fraser	Jan. 31	20,805d	(19,389)f	8.4	(7.5)	3.88	(3.636)
I. & J. Hyman	Dec. 31	339	(260)	2.3	(1.3)	0.813	(Nil)
Ibstock Johnsen	Dec. 31	2,584	(2,020)	15.9	(11.8)	5.0	(3.9)
Kenkast	Dec. 31	125L	(47)	—	(0.9)	Nil	(0.67)
Percy Lane	Dec. 31	315	(11)	3.3	(—)	1.5	(Nil)
Law Land	Dec. 31	659	(327)	3.0	(2.6)	2.317	(2.077)
Legal & General	Dec. 31	9,700‡	(9,400)	7.3	(7.5)	4.654	(4.361)
London Brick	Dec. 31	9,791	(2,070)	7.9	(1.9)	2.627	(1.53)
Oil Exploration	Dec. 31	4,232a	(946)	3.4	(3.7)	1.716	(1.608)
Pearl Assurance	Dec. 31	3,900‡	(2,940)	—c	(—)	10.243	(9.599)
Provincial Insur.	Dec. 31	618L	(3,280)	—	(23.4)	10.611	(9.943)
Pye Holdings	Dec. 31	5,694§	(5,273)	10.4	(10.0)	2.9	(3.675)
H. & J. Quick	Dec. 31	388	(177)	3.6	(3.3)	0.938	(0.858)
Rotaflex (GB)	Dec. 31	638	(791)	1.8	(2.4)	0.788	(0.729)
Ruberoid	Dec. 31	431	(506)	2.0	(2.2)	1.53	(1.88)
Savoy Hotel	Dec. 31	32	(68)L	0.2b	(—)	0.5b	(0.5)
Schroders	Dec. 31	2,636h	(1,538)	33.9	(19.6)	9.311	(8.726)
Smith & Nephew	Jan. 3	11,817	(6,901)f	4.5	(2.0)	1.963	(1.888)
Spirax-Sarco	Dec. 31	2,663	(1,870)	16.4	(12.3)	5.63	(5.01)
Thurgar Bardex	Dec. 27	77	(217)	0.7	(1.3)	0.557	(0.522)
Tilbury Contractg.	Dec. 31	2,052	(1,923)	31.7	(47.8)	16.333	(15.263)
Warne Wright	Dec. 31	1,112	(879)	7.5	(5.3)	1.973	(1.849)
James Warren	Sept. 30	81L	(284)	—	(8.6)	Nil	(9.45)
York Trailer	Dec. 31	661	(1,303)	2.7	(5.6)	1.745	(1.626)
H. Young	Nov. 30	63L	(44)L	—	(—)	Nil	(Nil)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Aurora Holdings	Dec. 31	502	(533)g	0.875	(0.875)
Barratt Dvlpts.	Dec. 31	4,258	(2,616)	1.83	(1.271)
Bridport Gundry	Jan. 31	77	(198)	0.6	(0.554)
British Anzani	Sept. 30	576L	(678)L	Nil	(Nil)
Burgess Products	Jan. 31	134h‡	(27)L	Nil	(0.98)
Burndene Invests.	Nov. 30	206	(333)	0.455	(0.325)
Burns-Anderson	Dec. 31	202	(225)	0.35	(0.315)
Centrovincial Ests.	Sept. 25	397L	(179)L	Nil	(Nil)
M. P. Kent	Dec. 31	502	(1,114)	0.55	(0.5)
Lawtex	Dec. 27	13	(97)	Nil	(1.265)
Mitchell Cotts Grp.	Dec. 31	2,786	(3,099)	0.656	(0.656)
Newman-Tonks	Jan. 31	365	(770)	0.7	(0.7)
Pochin's	Nov. 30	186	(182)	0.375	(0.875)
Sirdar	Jan. 9	504e	(400)	1.04	(0.95)
Startrite Engrg.	Dec. 31	116	(173)	1.0	(0.946)
Trafford Park	Dec. 31	272	(259)	1.403	(1.403)
W. Tyzack Turner	Jan. 31	114	(129)	1.25	(1.125)
Victor Products	Oct. 31	339	(259)	1.083	(0.985)

(Figures in parentheses are for corresponding period.)
Dividends shown net except where otherwise stated.

* Adjusted for any intervening scrip issue. † Attributable pre-tax. ‡ Net. $ Attributable. § Amended. a Operating profit. b In "A" shares. c Not appropriate. d For 53 weeks. e For 28 weeks. f For 52 weeks. g Adjusted. h Net attributable. L Loss.

Offers for sale, placings and introductions

Barrow Hepburn Group: Placing 1½m. new Ordinary 25p shares at 42p each.
IC Industries: Quotation 13.2m. shares of Common stock no par value.

Rights Issues

Brent Chemicals International: One-for-two at 20p each.
Rolls-Royce Motors Holdings: One-for-five at 45p each.

Scrip Issues

Acrow Group: One "A" for every Ordinary or "A" share.
BBA Group: One-for-three.
Clifford's Dairies: One-for-one in "A" Ordinary shares.

F.T.-ACTUARIES SHARE INDICES
QUARTERLY VALUATION

The market capitalisation of the sub-sections of the F.T.-Actuaries shares indices as at March 31, 1976 expressed below in millions of pounds and as a percentage of the All-Share Index. Similar figures are also provided for the two preceding quarters. These valuations are published quarterly and are made by Extel Communications (Exchange Telegraph Group) on an I.B.M. 370 computer.

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses denote number of stocks)	Market capitalisation as at March 31, 1976 (£m.)	% of all share index	Market capitalisation as at Dec. 31, 1975 (£m.)	% of all share index	Market capitalisation as at Sept. 30, 1975 (£m.)	% of all share index
1	CAPITAL GOODS GROUP (179)	6,151.7	15.60	5,559.8	14.82	4,700.7	13.84
2	Building Materials (30)	1,283.0	3.24	1,192.6	3.19	1,024.1	3.01
3	Contracting and Construction (23)	530.0	1.34	539.5	1.45	486.0	1.43
4	Electricals (16)	1,399.1	3.53	1,270.8	3.40	1,073.0	3.16
5	Engineering (Heavy) (13)	222.6	0.57	207.2	0.55	175.0	0.51
6	Engineering (General) (83)	2,115.8	5.37	1,797.9	4.81	1,518.4	4.47
7	Machine and Other Tools (9)	57.8	0.15	49.5	0.13	39.7	0.12
8	Miscellaneous (25)	543.4	1.38	482.5	1.29	387.5	1.14
9	CONSUMER GOODS (DURABLES) GROUP (53)	1,633.6	4.12	1,354.0	3.62	1,114.7	3.28
10	Lt. Electronics, Radio and TV (15)	905.1	2.30	727.0	1.94	626.7	1.84
11	Household Goods (13)	209.8	0.53	185.9	0.50	171.6	0.51
12	Motors and Distributors (25)	507.7	1.29	441.2	1.18	316.4	0.93
13	CONSUMER GOODS (NON-DURABLES) GROUP (168)	11,115.2	28.19	10,914.8	29.18	9,959.0	29.32
14	Breweries (15)	1,118.5	2.84	1,132.1	3.01	1,126.3	3.32
15	Wines and Spirits (7)	595.1	1.51	580.7	1.56	464.2	1.37
16	Entertainment and Catering (14)	727.6	1.85	777.3	2.08	622.2	1.83
17	Food Manufacturing (22)	2,044.6	5.19	1,966.8	5.26	1,804.3	5.31
18	Food Retailing (16)	756.5	1.87	761.7	2.04	751.0	2.21
19	Newspapers and Publishing (15)	278.3	0.71	252.0	0.67	208.2	0.61
20	Packaging and Paper (13)	357.9	0.91	350.1	0.94	308.7	0.91
21	Stores (34)	2,825.0	7.16	2,740.7	7.33	2,659.0	7.83
22	Textiles (23)	856.1	2.17	780.1	2.09	660.2	1.94
23	Tobacco (3)	1,522.7	3.86	1,526.0	4.08	1,312.1	3.86
24	Toys and Games (6)	54.1	0.14	47.5	0.13	42.7	0.13
	OTHER GROUPS (96)						
25	Chemicals (26)	3,822.1	9.70	3,380.5	9.04	2,975.1	8.76
26	Office Equipment (9)	494.5	1.25	454.2	1.21	418.1	1.23
27	Shipping (12)	521.2	1.32	478.7	1.28	456.9	1.35
28	Miscellaneous (unclassified) (49)	2,152.5	5.40	1,895.2	5.07	1,722.5	5.07
29	INDUSTRIAL GROUP (496 SHARES)	26,859.8	68.58	24,018.0	64.22	21,347.0	62.85
30	Oils (4)	4,631.1	11.74	4,361.2	11.66	4,045.8	11.91
31	500 SHARE INDEX	30,490.9	77.32	28,379.2	75.88	25,392.8	74.76
32	FINANCIAL GROUP (100)	6,939.9	17.60	6,872.5	18.37	6,567.5	19.33
33	Banks (6)	1,946.3	4.94	2,002.4	5.35	1,880.6	5.54
34	Discount Houses (10)	98.1	0.25	95.7	0.26	85.1	0.25
35	Hire Purchase (5)	155.0	0.39	132.2	0.35	123.5	0.36
36	Insurance (Life) (9)	839.5	2.13	789.9	2.11	762.1	2.24
37	Insurance (Composite) (7)	1,912.3	4.85	1,827.5	4.89	1,826.3	5.38
38	Insurance (Brokers) (9)	442.1	1.12	390.4	1.04	289.6	0.85
39	Merchant Banks, Issuing Houses (17)	383.5	0.97	395.0	1.06	462.8	1.36
40	Property (31)	1,064.5	2.70	1,141.6	3.05	1,075.2	3.17
41	Miscellaneous (6)	98.8	0.25	96.0	0.26	60.1	0.18
42	Investment Trust Group (50)	2,002.2	5.08	2,151.1	5.75	2,006.9	5.91
43	ALL-SHARE INDEX (650 SHARES)	39,433.0	100	37,402.8	100	33,967.0	100

Plan to improve London bus services

FINANCIAL TIMES REPORTER

PLANS to improve the reliability of London's bus services were announced yesterday by London Transport.

Reliability is the first priority of passengers, according to LT, which plans to phase in the new scheme from Saturday, May 15.

Under the proposed system services will be designated "primary" or "supplementary." Schedules in the first category will get first call on staff and buses and additional services will be operated to the extent that staff is available.

The idea is that the same number of bus journeys will be operated daily but that services will be more dependable. However, LT does note that some trips may still have to be cancelled from time to time "because of last-minute staff sickness and of traffic hold-ups which can play havoc with bus timings."

The new arrangements would make it possible to tailor timetables more closely to the staff and buses likely to be available, LT said.

Timetables will be reprinted to show the revised services. Nine garages — Chalk Farm, Middle Row, Norwood, Shepherd's Bush, Stockwell, Stonebridge, Victoria, Walworth and Willesden — and 34 routes will be involved in the first stage of the scheme.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price p	+ or −	Div. Amount	Times Covered	Gross Yield	P/E Ratio
—	F.P.	—	£25	£22¼	Berry Pacific F.L.US$1	£25	+¼	40c	—	16.5	—
$10,590	F.P.	—	$10,600	$10,500	Brasilvest S.A.	$10,600	......	—	—	—	—
67	F.P.	2.4	[illegible]	23½	Electra Inv. Tst.	30½	......	b6.6	1.1	6.7	21.4
—	F.P.	—	£14½	£14¼	I.C. Inds.	£14¼	−¼	$1.50	—	4.8	—
10	F.P.	30.7	20	[illegible]	LASMO "OPS" Units 10p	165	......	—	—	—	—
10	F.P.	30.7	[illegible]	166	SCOT "OPS" Units 10p	165	......	—	—	—	—
—	F.P.	—	£222½	£217½	Tenneco Inc. $5	£222½	......	Q$1.36	—	4.0	—

FIXED INTEREST STOCKS

Issue Price	Amount Paid Up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price	+ or −
£100	F.P.	—	100¼	99⅝	Agricultural Mort. 10¾% Bds. 1977	100	......
£100	F.P.	—	100	99¾	Do. Do. 10⅝% Bonds 1977	99¾	......
£100	F.P.	7/4	108	95	Arbuthnot Lath. 8% Conv. Uns. 1986	95	−8
C$100	F.P.	—	100	100	Banque Canadienne Nat. 9¾% Deb. 1982	C$100	......
US$100	F.P.	—	$100	$100	Barclays Bk. Intl. 9¾% Cap. Notes 1985	$100	......
£100	F.P.	28/4	101	99⅛	External Inv. Trust Convertible Ln. 1982	100	......
[illegible]							

"RIGHTS" OFFERS

Issue Price p	Amount Paid Up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price p	+ or −
[illegible]							

Stricter control of fireworks

GUY FAWKES' Night will be much quieter in future after an agreement between the fireworks industry and the Government to strengthen firework controls.

The production of bangers is to be cut by more than 20m. over the next two years to half the 1975 output.

Mr. Alan Williams, Consumer Minister of State, announced substantial agreement on a limit on the period fireworks are on sale and phasing out of "fly-about fireworks."

NEWHAM SOUTH CASE DROPPED

Legal action over the expulsion of four members of the Newham South Labour Party has been dropped. Three of the expelled members had obtained High Court injunctions against the party chairman and other ward officers.

After a ten-minute private hearing before Mr. Justice Cusack yesterday it was stated by both sides that the legal proceedings had been terminated. The dispute would now be dealt with as an internal party matter.

WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

Well above the worst: off 2.5

BY OUR WALL STREET CORRESPONDENT

NEW YORK, April 2.

EARLY LOSSES were partially recovered on Wall Street to-day, when minutes before the close a spokesman for the Teamster Union, which represents some 450,000 truckers, announced that a tentative agreement had been reached in the two-day-old strike.

After falling another 6.30 to 987.80, the Dow Jones Industrial Average rallied to 991.58, for a net loss of 2.52 on the day and a loss of 11.88 on the week. The NYSE All Common Index, at $54.54, was unchanged on the day, but off 33 cents on the week. Declines led advances by 733-to-648, while the trading volume decreased 690,000 shares to 17.22m.

Some optimism was based on a continuing flow of favourable economic news including Friday's report of a fifth straight monthly decline in unemployment last month.

Burroughs finished $¾ up at $102¾—it will introduce an "important" new serie of small computer systems at a Press conference in Detroit later this month.

IBM jumped $5¼ to $266¾.

Corning Glass were up $1¾ to $70½, Upjohn $1 to $43¾, and Stokely-Van Camp $2 to $26¾.

Digital Equipment gained $2¼ to $178, but Polaroid fell $1¾ to $45¾ and Crane dipped $1⅜ to $63.

Kerr-McGee were down $1 to $70½, Aluminum Company of American $1⅞ to $46¼, Schlumberger $1¾ to $76¾, and Reynolds Metals $1¼ to $36⅜.

Steels were firm, while mixed.

Koehring moved ahead $1 to $11¼—it completed its previously-announced divestiture plan.

The American SE Market Value Index rose 0.19 to 104.39, but declines led advances by 350-to-292. Turnover 3.11m. (2.60m.) shares.

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Xerox	349,000	55⅞	−¾
Western Air Lines	291,600	9⅞	+1⅛
Polaroid	238,100	34¾	−1¾
Pfizer	205,500	30⅞	−⅛
Marcor	208,300	33⅞	−⅛
Amer. Tel. Tel.	177,400	56⅞	−¼
Searle G.D.	176,200	17⅛	+⅛
General Motors	172,600	69⅞	+⅛
Gt. Western Finl.	164,300	18⅛	+⅛
Citicorp	161,000	35⅝	+⅛

OTHER MARKETS

Canada mixed

Canadian Stock Markets were mixed in moderate trading yesterday.

The Industrial Share Index rose 0.16 to 189.96, Western Oils 0.55 to 216.93, Utilities 0.28 to 136.93 and Banks 3.99 to 246.00, but Golds fell 5.83 to 281.85. Base Metals eased 0.18 to 89.74 and Papers lost 1.03 to 123.56.

PARIS—Market weakened in thin dealings, with Capital Gains Tax and Company Reform fears continuing to weigh on investors.

Banks, Foods, Stores, Motors, Constructions and Rubbers were weak. Engineerings, Chemicals and Oils fell. Metals steady.

Golds sharply lower, U.S. stocks mixed, Germans steady, Dutch stocks and International Oils declined.

BRUSSELS—Mainly lower after *very little trading.*

Domestic sector only showed strength in Steels, while Electricities, Metals and Chemicals were little changed.

Holdings weak, Oils lower.

U.S. stocks retreated, Zaireans declined, Dutch shares down, French weaker.

AMSTERDAM—Slightly lower.

Banks, Insurances and Transportations all lower. Dutch Industrials narrowly mixed.

Bonds lost an average of Fls.0.10 to Fls.0.20.

GERMANY—Slightly weaker, but some Institutional buying left most Banks, Chemicals, Electricals and Steels little changed.

Engineering fell up to DM2 and Stores dropped up to DM5. Motors mixed.

Domestic Bonds shed up to DM0.40, with Regulating Authorities buying around DM10m. nominal of stock. Foreign Mark Loans maintained.

SWITZERLAND—Fairly broad front retreat, influenced by the currency unrest.

Banks and Financials declined, Insurances predominantly easier, Chemicals, Foods, Metals and Engineerings drifted lower.

State Bonds narrowly mixed.

Dollar stocks generally eased. Dutch Internationals and Germans also easier.

MILAN—All sectors down on fears of new political crisis.

OSLO—Barely steady. Shippings quiet.

VIENNA—Quietly mixed, with Industrials higher.

COPENHAGEN—Sharply higher in moderate dealings, but Shippings slightly lower.

TOKYO—Mainly lower. Volume 220m.-260m. shares.

HONG KONG—Generally lower in moderate trading.

JOHANNESBURG—Gold shares easier on further considerations of Budget measures. London selling evident.

Financial Minings generally steady, Coppers easier, Platinums little changed.

Industrials quiet.

AUSTRALIA — Mixed in dull trading.

Uraniums fell sharply, following Government's new foreign investment guidelines which stipulates 75 per cent. local equity.

Indices

NEW YORK—DOW JONES

	April 2	April 1	Mar. 31	Mar. 30	Mar. 29	Mar. 26	1976 High	1976 Low	Since compilat'n High	Since compilat'n Low
Industrials	991.58	994.10	999.45	992.15	987.40	1005.46	1,009.21 (24/3)	858.71 (2/1)	1051.70 (11/1/73)	41.22 (8/7/32)
Home Bonds	72.82	72.82	72.88	72.84	72.67	72.58	72.88 (31/3)	69.11 (2/1)	—	—
Transport	206.88	206.90	207.87	207.34	209.87	209.62	211.51 (11/3)	175.69 (2/1)	279.88 (7/2/69)	13.23 (8/7/32)
Utilities	87.10	87.26	87.56	87.14	87.46	87.50	91.90 (4/3)	84.94 (2/1)	163.32 (20/4/69)	10.58 (28/4/42)
Trading vol. 000's	17,220	17,910	17,920	17,630	16,100	16,510	—	—	—	—

	Mar. 26	Mar. 19	Mar. 12	Year ago (approx.)
Ind. div. yield %	3.66	3.76	3.74	5.01

STANDARD AND POORS

	April 2	April 1	Mar. 31	Mar. 30	Mar. 29	Mar. 26	1976 High	1976 Low	Since compilat'n High	Since compilat'n Low
*Industrials	115.05	115.08	115.65	114.80	115.27	115.82	116.57 (24/3)	101.64 (2/1)	134.54 (11/1/73)	3.62 (30/6/32)
†Composite	102.25	102.24	102.77	102.01	102.41	102.85	105.42 (24/3)	90.90 (2/1)	120.24 (11/1/73)	4.40 (1/6/32)

	April 1	Mar. 24	Mar. 17	Year ago (approx.)
Ind. div. yield %	3.28	3.25	3.66	4.12
Ind. P/E Ratio	13.92	14.04	13.66	9.40
Long Govt. Bond yield	6.69	6.67	6.78	6.16

N.Y. S.E. ALL COMMON.

April 2	April 1	Mar. 31	Mar. 30	1976 High	1976 Low
54.54	54.54	54.80	54.45	55.16 (24/3/76)	57.06 (2/1/76)

Rises and Falls April 2.

Issues Traded—1,858 Up—648

Down—753 Same—457

New Highs—46 New Lows—16

MONTREAL	April 2	April 1	Mar. 31	Mar. 30	1976 High		1976 Low	
Industrial	200.72	200.72	201.24	201.16	205.67	(26/2)	176.82	(2/1)
Combined	192.85	192.40	192.15	192.01	198.87	(24/2)	175.07	(2/1)
TORONTO Industrial	189.96	189.80	189.12	189.85	197.48	(20/2)	175.01	(2/1)
JOHANNESBURG Gold	178.6	185.6	193.3	192.8	228.7	(12/3)	178.6	(2/4)
Industrials	199.2	198.6	200.4	198.7	212.6	(2/1)	198.2	(4/3)

	April 2	Pre-vious	1976 High	1976 Low
Australia (a)	454.16	456.38	472.81 (12/3)	445.32 (6/1)
Belgium (b)	108.73	102.39	113.18 (5/2)	104.64 (6/1)
Denmark (d)	104.79	102.70	107.79 (27/1)	100.20 (10.3)
France (e)	70.5	70.6	74.5 (3/3)	69.1 (13/1)
Germany (f)	805.3	806.8	821.7 (17/3)	766.5 (22/1)
Holland (g)	100.7	100.8	106.3 (5/2)	98.8 (19/1)
Hongkong (h)	446.86	449.65	466.55 (17/3)	364.65 (2/1)
Italy (k)	77.97	79.34	91.57 (25/2)	77.97 (2/4)
Japan (m)	338.30	338.42	344.51 (24/3)	320.88 (6/1)
Singapore (n)	263.33	264.61	266.16 (3/2)	236.35 (2/1)
Spain (p)	85.96	83.55	89.60 (2/1)	83.45 (1/4)
Sweden (q)	434.25	434.38	434.38 (1/4)	385.55 (19/1)
Switz'rl'd (r)	282.0	288.8	298.8 (12/3)	265.6 (6/1)

Indices and base dates (all base values 100 except NYSE All Common—50, and Standards and Poors 10): (a) Sydney All Ord. (b) Belgian SE 31/12/63. (d) Copenhagen SE 1/1/73. (e) Paris Bourse 1961. (f) Commerzbank December, 1953. (g) Amsterdam Industrial 1970. (h) Hang Seng Bank 31/7/64. (k) Milan 2/1/73. (m) Tokyo New SE 4/1/68. (n) Straits Times 1966. (p) Madrid SE 31/12/74. (q) Stockholm Industrials 1/1/58. (r) Swiss Bank Corp. 31/12/58. (u) Unavailable. ‡ Excluding bonds. * 425 Industrials. † 425 Inds., 50 Utilities and 25 Rails.

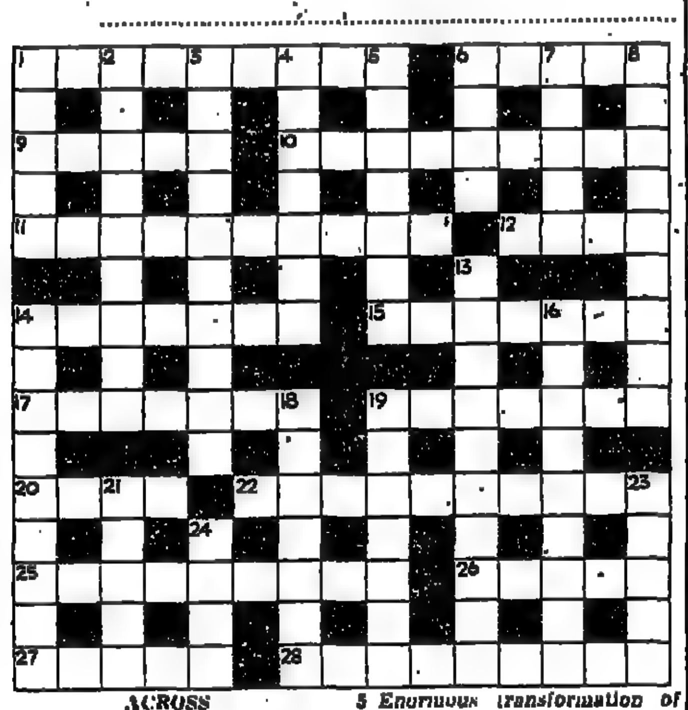
F.T. CROSSWORD PUZZLE No. 3,046

A prize of £3 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....

....



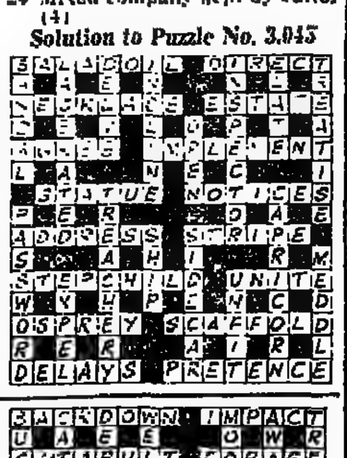
ACROSS

1 Victoria for example has apartment that evokes no response (5, 4)
6 Clear student to join upper-class detectives (5)
9 Dramatic king's daughter rushed for example inside (5)
10 Retire to visit informer (2, 2, 5)
11 Invalid who can't be seen by looking inwards (3, 7)
12 Morning, doctor, here are the bullets, shells, etc. (4)
14 Confess to being outmoded during deadlock (7)
15 Conductress gives smart blow to mixed-up type (7)
17 Getting browned off with heavy defeat (7)
19 Here to-day . . . (7)
20 Unusual excerpt from orchestra rehearsing (4)
22 Squash a chap organises with publicity specialist (5, 5)
25 Fashionable instrument is on note though untouched (9)
26 Linger on pitch by railway (5)
27 Give up taking interest (5)
28 Lower reputation of record before cardinal gets it (9)

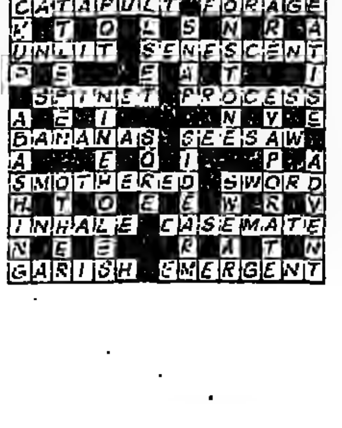
DOWN

1 Endlessly failed to remember to give up (5)
2 Discover how to start smoking on . . . (5, 4)
3 . . . part of week fit for best clothes (6, 4)
4 Coal for student to put on fire (7)
5 Enormous transformation of cat in it (7)
6 Firewood made into tables (4)
7 Wide gap noticeable in church since beginning of March (6)
8 Unfair to thwart one good man (9)
13 A corking attendant for those making for Bordeaux (4, 6)
14 Main line express to Bury Town (3, 4)
16 Quiet whistler went wrong when promoted (9)
18 Floral tribute Georgia has right to bring ashore (7)
19 Have sheriff's men go on board (7)
21 Look again they say at show (5)
23 Have a go on way to meeting (5)
24 Mixed company kept by editor (4)

Solution to Puzzle No. 3,045



SOLUTION AND WINNERS OF PUZZLE No. 3,040



Following are the winners of last Saturday's prize puzzle:

Mr. R. E. Cuming, 152 Springbank Road, Hither Green, S.E.13.

Mr. R. J. S. Law, 6 Cowper Drive, Dublin 6.

Mr. J. W. Watts, Stonefleet, Tockwith, York.

RACING BY DOMINIC WIGAN

Prolan pick of the bunch at Aintree

BELIEVING THAT Red Rum is *no longer the force he was a* couple of years ago and that the three other market leaders, Barona, Jolly's Clump and Money Market, do not represent betting value, I intend picking *Prolan* in to-day's £50,000 renewal of the News of the World sponsored *Grand National (3.15).*

Eddy O'Grady's charge, one of three challengers from Ireland, has maintained highly creditable form throughout the campaign. The last time out he staked his claims to serious Aintree consideration when impressively winning the Kim Muir Memorable Challenge Cup at Cheltenham on Gold Cup day.

Always going well in that highly competitive event, Prolan never appeared likely to be caught once he had been sent on four fences from home. At the line the grey Perhapsburg gelding, who made a slight mistake at the last, had three-quarters of a length to spare over that useful seven-year-old, Gylippus, to whom he was giving 15 lbs.

Although he has never raced further than the three miles and two furlongs of Gowran Park's Thyestes Chase, in which he finished a good second to Brown Lad, Prolan has given every indication that to-day's 4½ miles is unlikely to prove beyond him.

AINTREE
2.00—Dulwich
2.30—Irish Fashion
3.15—Prolan
Money Market
Tregarron e.w.
3.55—Davy Lad*
4.30—Forty Winks
5.00—Charlotson

ASCOT
2.00—Air Trooper
2.30—Ghost Writer
3.00—Chum-Chum
3.50—Galway Bay***
4.20—Paddy Jack
4.50—Icing**
5.20—Miscou

A strong progressive sort, whose jumping has improved considerably since the start of the season, Prolan is certain of every assistance from "Mouse" Morris, who partnered him to a half-length victory over Colebridge at Fairyhouse in November.

In what could well be one of the most closely fought National finishes in recent years I hope to see Prolan, a 20-1 chance in most ante-post lists, oblige at the main expense of my original choice, Money Market, and Scotland's hope, Tregarron.

The last-named, the subject of several notable bets, including one of £1,000 at 16-1, a few days ago, impressed all who saw him when completing a hat-trick in the Arthur Challenge Cup at Ayr three weeks ago. He appeals as the most reliable each way wager in the 32-runner field.

With some heavy showers changing ground conditions from firm to good the former champion hurdler, Comedy of Errors, seems sure to go to post as a short-priced favourite for the day's most valuable event over the minor obstacles, the 11-runner Templegate Hurdle (2.30).

Although he is certain to give a good account of himself, I doubt if Fred Rimell's popular nine-year-old will prove up to giving 4 lbs to *Irish Fashion* who found the three miles of the Lloyds Bank Hurdle at the Festival meeting just beyond his stamina.

While National Hunt followers will be concentrating on Aintree a good many Flat racing enthusiasts are likely to be at Ascot, where the two Guineas Classic Trials are the principal events on an interesting programme which includes the Heinz Novices' Chase.

Here the best bet of the afternoon could well be *Galway Bay,* who tries for his third course victory in the 2,000 Guineas Trials Stakes (3.50).

SPAIN ♥

April 2	Per cent.	
Asland	229	—
Banco Lopez Quesada	590	−23
Banco Bilbao	570	+15
Banco Atlantico (1,000)	445	—
Banco Central	700	+21
Banesto (250)	471	—
Banco Exterior	578	−2
Banco General	778	−7
[illegible]	[illegible]	[illegible]
Iberduero	159	−2
Motor Iberica	229	+4.50
Olarra	627	+7
Papeleras Reunidas	274	+9
Petroliber	262	—
Petroleos	398	+4
Sarrio Papalera	190	+3
Solare	108	+1
Sogefisa	200	—
Telefonica	185.50	+1.50
Torras Hostench	352	+5
[illegible]	[illegible]	[illegible]

OVERSEAS SHARE INFORMATION

NEW YORK

[illegible]

CANADA

[illegible]

GERMANY ♦

[illegible]

MILAN

[illegible]

AUSTRALIA

[illegible]

BRUSSELS/LUXEMBOURG

[illegible]

SWITZERLAND ♦

[illegible]

PARIS

[illegible]

TOKYO †

[illegible]

Source Nikko Securities Tokyo.

AMSTERDAM

[illegible]

JOHANNESBURG

[illegible]

COPENHAGEN

[illegible]

STOCKHOLM

[illegible]

OSLO ♦

[illegible]

VIENNA

[illegible]

NOTES: Overseas prices [illegible]

COMPANY NEWS

Long term confidence at Albright & Wilson

FOR THE current year Albright and Wilson is expecting a small improvement over the 1975 results, but they are dependent upon the resumption of some economic growth both at home and overseas, state the directors.

Recently there has been a modest upturn in sales, but it is not yet clear whether this represents a genuine recovery in consumers' demand, or merely a replenishment of customers' stocks.

Last year was a period of intense recession for the world chemical industry, but the company has shown resilience and an underlying strength based on its wide spread of products and markets.

Looking beyond 1976, the directors are confident about the future. This is demonstrated by the increased spending on new capital projects in 1975, with plans to raise it still further in the current year.

The group's financial position continued strong. Cash flow was sufficient to meet the higher capital spending—£15.2m. against £10.2m. in 1974—and the comparatively small rise in working capital, so that net borrowings stayed at the low level existing at end-1974.

Despite the recession, the capital programme was maintained without major dislocation. But new projects are still being subjected to demanding standards of profitability and cash flow.

As reported on February 19, group sales for 1975 came to £227.29m. (£204.41m.), profit was £18.54m. (£22.79m.) and the net dividend is 3.75p (3.52p) per share. On a CPP basis, sales are £248.5m. (£274.5m.) and profits £8m. (£22m.), demonstrating the unsatisfactory return on invested funds and the need for higher selling prices and less taxation, if adequate investment in capital intensive industries is to be fostered, the directors stress.

The year's profit was struck after a £26,000 ex-gratia payment to a former director following retirement.

Tenneco International Inc. holds 49.8 per cent. of the Albright equity. Meeting, Park Lane Hotel, W., May 6 at noon.

Unichem profit tops £1m.

An 83 per cent. leap has taken UniChem's profits through the £1m. level for the first time, and as a result more than £1m. is being ploughed back into independent retail pharmacy through rebate payments and interest on members' shares.

During the past year sales by this independent pharmaceutical wholesale organisation rose from £23.6m in 1974 to £36.1m., while profits went up from £628,572 to £1,131,313.

Managing director Peter Dodd says he is confident "we can look forward to even greater progress as the economy upturns out of recession. Our planning for the next five years to maintain expansion and to take full advantage of the improved economic climate, when it comes, is well in hand."

The Board is recommending a basic rebate of 5 per cent. on all relevant purchases during the year which is in addition to supplementary rebates of 1-3 per cent. The final payment will be made in July, following the two interim rebates of 4 per cent. already paid.

London Scottish Finance

IN COMMON with the consumer credit industry in general, outstanding balances of London Scottish Finance Corporation have fallen, resulting in a reduction in profit from £574,825 to £449,965, before finance costs, in the half year to January 27, 1976.

The reduction was offset by lower interest rates and a fall in group borrowings. Pre-tax profit came out marginally higher at £148,299, against £141,581.

For the year to July 29, 1975, profit before finance charges was £1,083,531, and the pre-tax figure £310,818.

As before the interim dividend is 0.7p net per 10p share. Last year's total was 1.7p.

	26 weeks 1976 £	1975 £
Turnover	1,110,040	1,182,162
Profit	449,965	574,825
Finance costs	301,666	433,244
Profit before tax	148,299	141,581
Taxation	80,000	76,000
Net profit	68,299	65,581
Dividends	29,616	26,616
Retained	38,683	38,965

BPC setback in second half

A SETBACK has been experienced in the second half by British Printing Corporation. After being £254,000 ahead at halfway, profits for the year 1975 emerge £1.4m. lower at £3.12m. before tax but after exceptional charges.

Chairman Sir Charles Hardie says the severe recession in the U.K. affected the second half results, mainly due to lower activity in the last quarter. This particularly hit the packaging companies, and through a reduced volume of magazine printing led to losses at Sun Printers. The proportion of profits from overseas, however, rose markedly.

On the outlook, he tells members that the first half of the current year is expected to be poor. An upturn in the economy in the second half would make a considerable impact on the packaging and printing sides. In publishing he looks for improved results in the U.K. and to further growth overseas.

"We are now a more broadly based operation and we expect significant growth to occur when the recession is over," the chairman asserts.

Earnings for 1975 are shown at 4.2p, compared with 9.9p, after exceptional charges of £914,000 (£1.03m.) but before extraordinary debits of £60,000 (£618,000). The dividend is unchanged at 3.1825p net per 25p share, the final being 2.1825p.

Higher interest charges were incurred in the first half but overall the cash position has improved by over £2m. This was despite an increase in Yen loans to support growth in Japan.

	1975 52 weeks £000	1974 53 weeks £000
Sales	127,318	112,733
Trading profit	7,037	8,047
Printing	4,364	3,401
Sun Printers loss	849	*93
Packaging, paper	1,203	2,244
Publishing	2,319	2,307
Trade invest. income	115	168
Interest charges	3,116	2,627
Except. debits	914	1,034
Profit	3,122	4,526
Tax payable	444	279
Deferred tax	1,167	1,181
Outside holders	95	49
Extraord. charges	60	618
Pref. divs.	180	180
Ordinary	954	933
Retained	232	1,784
Year-end reserves	7,610	7,160

* Profit.

The proposed merger between Sun Printers and Odhams (Watford) had to be abandoned in November. However, Sun has reached agreement locally to obtain a considerable reduction in operating costs over a period of years. The programme involves capital investment and reduction in numbers employed. Estimated cost of the severence scheme has been included as part of exceptional items.

In packaging and paper one loss making factory has been closed in 1976: a provision for the estimated costs, less tax relief, is included as an offset against extraordinary credits.

See Lex

Beeston Foundry losses

ON A turnover of £2,267,000 Beeston Foundry Holdings incurred a trading loss of £856,000 for the 13 months to May 3, 1975—Beeston Boiler for 57 weeks and Beeston Foundry for three months.

For the year to March 30, 1974 turnover of Beeston Boiler was £2,330,820 and there was a loss of £355,675 after £270,219 exceptional stock write off.

Because of continuing production problems associated with the company's automatic moulding plant it is not intended to recommend a dividend. And there is no interim for the current year.

During 1975 a settlement of claims outstanding against the suppliers, Badische Maschinenfabrik, worth £537,000 was obtained, reducing the loss for the period to £319,000. Also an unused sports field was sold for £150,000 of which £100,000 has been taken into reserves representing the excess of the sale price over book value.

Sales for the six months to November 1, 1975, of BFH totalled £1,097,000, and there was a trading loss of £183,000. After depreciation, less investment grants, of £42,000, interest charges of £73,000, and redundancy payments of £79,000, the total loss for the six months was £377,000.

The chairman, Mr. R. A. Palfreyman, tells holders the year ending May 3, 1976, "will not see the company trading profitably" but he expects that in the year to come, with contracts signed for the export of castings to the U.S. worth £750,000 a year for three years, and an agreement for the distribution of CTC steel boilers in the U.K., "the company should return to a profit-making position."

He stresses, however, that a profitable situation can only be achieved by a substantially higher level of trading requiring some additional working capital within the next few months. The company is negotiating with its bankers.

BENFIELD & LOXLEY

A recent re-organisation by Benfield and Loxley of its subsidiary Merrow Gauge and Tool at Guildford has led to the sale of surplus machinery and other assets for £85,000. The excess balance of £35,000 over book values has been credited direct to reserves.

Growth for Sale Tilney

PRESENT indications show that Sale Tilney group profits for the current year will clearly exceed the £684,000 achieved in 1975, says the chairman Mr. T. J. King.

Closer control is being operated over the trading performance and financial situation of the individual companies. He is confident that benefits will show increasingly in the future and this, coupled with successful developments in individual companies, offers encouragement.

Mr. King says there is now evidence that the group is resuming the profit growth path interrupted by the events of 1974, when particular difficulties arose at Compass House and G. and J. Nickson. Management reorganisation at Nickson resulted in a return to profits last year and, with a substantial investment programme, there are now good prospects of a very worthwhile future for this company.

In the case of Compass, however, market conditions again deteriorated rapidly and it was decided to close the company with effect from the year-end. Realisation of assets is proceeding satisfactorily.

The general improvement of the group's performance in 1975 was despite disappointing results in Ransburg-Peabody, which suffered a reduced profit, and in Sale Tilney (Japan) which still recorded a significant loss.

As reported on March 23, profit for 1975 was £684,000 (£508,000) and the dividend is 4.32p (4.04p). Net asset value is given as 200p (183p) per share.

Group activities are divided into industrial (special purpose machinery, hot metal equipment and adhesives, etc.) and food distribution and production. Electra Investment Trust holds 15.4 per cent. and Charterhouse Group 11.2 per cent. of the Ordinary capital.

Meeting, 28, Queen Anne's Gate, S.W., April 28 at 12.30 p.m.

BRUCE PEEBLES

Bruce Peebles Industries has purchased in accordance with the trust deed £366,500 of its 7½ per cent. Debenture stock 1986-91 through the market and this has been cancelled.

Motor Rail suspension

The Stock Exchange has suspended the quotation of engineering group Motor Rail because the company has failed to produce a set of accounts for the year ended August 31, 1975, by March 31. Dealings were temporarily suspended last December pending publication of a heavily qualified set of accounts for 1973-74.

The Board says the current position is that draft figures are available for all subsidiaries and the audit of the group is progressing. A preliminary announcement is promised by the end of this month and it is hoped to send a report out by the close of May. It is expected that the interim figures for Motor Rail will accompany the report, "thus bringing the company within the regulations of the Stock Exchange."

COMMODITIES/Review of the week

Sterling weakness lifts prices

BY OUR COMMODITIES STAFF

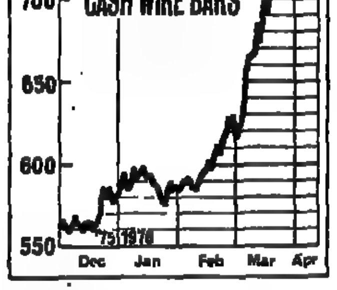
STERLING'S WEAKNESS was again the dominant influence on London commodity markets this week. Rises in base metals, cocoa and rubber were attributed almost totally to monetary factors.

But currency rates were seen only as an encouragement to the spectacular rise in coffee. Most traders felt that, with U.S. roaster buying continuing at a very high rate, coffee prices would have registered dramatic increases even without the record decline in sterling.

Coffee futures on the London terminal market scored their biggest increases since the Brazilian frost disaster last July, all quotations ending the week well above the "psychological" £1,000 a tonne barrier. The July position gained a further £16, to £1,080 a tonne, yesterday taking the weekly rise to £131.5.

Towards the end of the week, prices were boosted by confirmation of reports that Brazil had purchased between 500,000 and 800,000 tonnes of Angolan coffee.

The other market not significantly affected by the plight of the pound was sugar. Dealers felt that this was because of the fundamentally "bearish" supply/demand situation. With other markets performing so strongly, there was little incentive for speculators to hedge against currency factors.



The London daily price was fixed at £179 a ton yesterday, down £4 on the week, while the August futures position ended with a net decline of £3.45, at £178.45 a ton, after rising £4.325 yesterday.

Elsewhere in the soft commodity markets, July cocoa gained £36.25, to £813.75 a tonne, and No. 1 RSS spot rubber 0.75p, to 44.5p, a kilo. Bradford wooltops 64s prices declined 1p, to 234p a kilo, despite continuing labour disruption of Australian sales, all now cancelled until at least April 27.

Metal prices performed strongly, though there was a general downward reaction early in the week attributed to profit-taking following the earlier rise.

With sterling growing weaker, however, metal values later rallied with a vengeance helped by the strength of the U.S. market—influenced by political developments in the Middle East.

By yesterday's close all base metals were at their highest levels since 1974. The cash copper wirebars price was showing a net increase of £43.5, at £749 a tonne, while cash tin was up £80.5, at £3,746 a tonne, cash lead £19.75, at £218.5 a tonne, and cash zinc £28, at £413 a tonne.

The uptrend also affected silver, the cash price on the London bullion market being fixed yesterday at 221.9 an ounce, 7p higher than a week earlier.

WEEKLY PRICE CHANGES

	Latest price per ton unless stated	Ch'ge on week	Year ago	1976 High	1976 Low
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

MARKET REPORTS

BASE METALS

A fresh setback in sterling was the main influence behind a further sharp rise in base metal prices over the week on the London Metal Exchange. In active trading yesterday, the price of three months copper moved up to £777 in pre-market dealings owing to renewed speculative demand; expectations of a modest rise in the already record warehouse stocks figure had no impact on sentiment. That proved to be the day's highest level, however. Profit-taking and week-end book-squaring coupled with the lack of follow-through to the U.S. market causing forward metal to end here at £768.5 on the afternoon Kerb. Over the week, prices added around £43, ending at their highest levels since August, 1974. Turnover 17,400 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	748.5-9	+14	748.5-9.5	+8
3 months	769.5	+12.5	770.1	+8.25
Settlem'nt	749	+14	—	......
Cathodes				
Cash	740-1	+16	740-1	+7.5
3 months	760.5	+14	761.5	+7.5
Settlem'nt	741	+16	—	......
U.S. Smt.	—	......	*66	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £749.5, three months £773, 74 to 67 to 67.5, 69. Cathodes: cash £741 three months £761, 60.5. Kerbs: Bars, cash £748, three months £769, 69.5, 69, 68.5, 68. Afternoon: Wirebars three months £770, 71 to 69, 70, 69.5, 70. Cathodes: cash £740.5. Kerb: Bars: three months £771, 71.5, 72, 71, 70, 69.

[illegible]

* Cents per pound. † On previous unofficial close. ‡ $M per picul.

SILVER

Silver was fixed 4.05p an ounce higher for spot delivery in the London bullion market yesterday, at 221.9p. U.S. cent equivalents of the fixing levels were: spot 415.4c, up 3.3c; three-month 419.8c, up 1.6c; six-month 424.3c, up 2.6c; and 12-month 440.5c, up 2.3c. The metal opened at 220½-221½p (414-416c) and closed at 220.5-221.5p (412-413c).

SILVER per troy oz.	Bullion fixing prices	+ or —	L.M.E. close	+ or —
Spot	221.9p	+4.05	221.75p	+4.85
3 months	226.8p	+4.05	226.95p	+5.4
6 months	231.8p	+4.0	—	......
9 months	—	......	234p	+5.0
12 months	245p	+4.0	—	......

LME—Turnover 232 (358) lots of 10,000 ozs. Morning: Three months 227.4, 7.5, 7.0, 6.8, 6.9, 7.0, 6.8, 6.7, 6.8. Kerb: Three months 226.7, 6.6. Afternoon: Three months 226.5, 26.7, 26.5, 26.0, 26.3, 27.5, 27.3, 27.2, 27.1, 27.0. Kerb: Three months 226.3, 6.8, 6.4, 6.5.

COCOA

Currency factors continued to dominate price movements. New life of contract highs were recorded on all positions before profit-taking eroded some of the earlier gains, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
No.6 Contract			
May	831.5-32.5	+9.25	842.0-25.0
July	813.0-14.5	+8.5	821.0-12.0
[illegible]	[illegible]	[illegible]	[illegible]

COFFEE

[illegible]

GRAINS

[illegible]

RUBBER

[illegible]

SOYABEAN MEAL

[illegible]

SUGAR

[illegible]

FREIGHTS

[illegible]

MEAT/VEGETABLES

[illegible]

WOOL FUTURES

[illegible]

JUTE

[illegible]

COTTON

[illegible]

U.S. Markets

NEW YORK, April 2.

[illegible]

Wheat—SCWRS 13.5 per cent. protein content St. Lawrence 456½ (456).

All cents per pound ex-warehouse unless otherwise stated. * Cents per 60-lb bushel ex-warehouse. ‡ $'s per troy ounce—100-ounce lots. † Chicago loose $'s per 100 lbs—Dept. of Ag. prices previous day. Prime steam f.o.b. NY bulk tank cars. ‡‡ Cents per troy ounce ex-warehouse. b New "B" contract in $'s a short ton for bulk lots of 100 short tons delivered f.o.b. cars Chicago, Toledo, St. Louis and Alton. ‡ $'s per troy ounce for 50-ounce units of 99.9 per cent. purity delivered NY. ** Cents per 60-lb bushel in store. †† Cents per 56-lb bushel ex-warehouse, 5,000 bushel lots. c Cents per 24-lb bushel. f Cents per 48-lb bushel ex-warehouse, 5,000 bushel lots. d Cents per 56-lb bushel, ex-warehouse, 1,000-bushel lots.

FINANCIAL TIMES

REUTER'S

DOW JONES

MOODY'S

[illegible]

Court action

A NEW ROW broke out yesterday in the 215,000-strong Civil and Public Services Association, as a women clerical officer challenged attempts by Mrs. Kate Losinska, the CPSA president, to unseat her as an area secretary and treasurer.

Janette Dougan has obtained an interim High Court injunction restraining Mrs. Losinska and the CPSA from saying she had not been elected secretary and treasurer of the Southampton area committee on March 11. The full case will be heard next week.

This week's SE dealings

Friday, April 2	7,804	Wednesday, March 31	6,898	Monday, March 29	6,203
Thursday, April 1	7,237	Tuesday, March 30	7,094	Friday, March 26	5,920

The list below records all yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latter can be distinguished by the date (in parentheses).

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

The list below gives the prices at which bargains done by members of The Stock Exchange have been recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ♦ Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BRITISH FUNDS, ETC. (845)

SHORT DATED BONDS FREE OF STAMP DUTY

PUBLIC BDS., ETC.—U.K. (73)

COMMONWEALTH GOVT. AND PROVINCIAL SECURITIES (16)

COMMONWEALTH CORPN. STOCKS (1)

FOREIGN STKS., BDS., ETC. (6)

U.K. AND COMMONWEALTH RAILWAYS (4)

FOREIGN RAILWAYS (1)

INT. BANK STOCK (—)

CORPN. & COUNTY—U.K. (71)

BANKS & DISCOUNT COS. (378)

BREWERIES & DISTILLS. (224)

CANALS & DOCKS (10)

COMMERCIAL, INDUSTL. (4,229)

A—B

C—D

E—F

G—H

I—J—K

L—M

N—O—P

Q—R—S

[illegible]

Concern over companies which change trade terms

BY MICHAEL LAFFERTY, CITY STAFF

THE BANKS and the accountancy profession are becoming increasingly concerned at the growing number of companies which are changing their terms of trade in order to reserve title to the goods they sell.

It is thought that the practice could substantially hamper the use of floating charges as security for loans and it may lead to major changes in company accounting practice.

Interest in the use of reservation of title in companies' terms of trade has arisen after a recent case (Aluminium Industrie Vaassen BV v Romalpa Aluminium Ltd.) in the Court of Appeal.

The case involved a Dutch company which sold goods to the English purchaser on general conditions deposited with the courts in Holland. The imperfect English translation of these conditions included the statement: "The ownership of the material to be delivered will only be transferred to the purchaser when he has met all that is owing. . . ."

Accordingly, the purchaser was selling as agent for the vendor, not on his own account, and as an agent stood in a fiduciary relationship to his principal, remaining accountable for the proceeds of sale until all monies due to the vendor were paid.

Thus the vendor was entitled to trace the proceeds of sales to sub-purchasers and to recover them.

The English Institute of Chartered Accountants is setting up a special sub-committee to consider how goods sold with reserved title should be accounted for.

Some leading accountants believe that few businessmen are aware of the implications of reservation of title and they, together with their lenders, are often unaware that their suppliers have in fact reserved title. The practice is common on the Continent and is also found in North America.

Unles the law is changed the banks fear that floating charges will give little security in non-service industries. This could lead banks to consider requiring a special statement of security from each borrower, taking into account goods with reserved title.

Conservation champion

3M UNITED KINGDOM of Atherstone, Warwickshire, has won the West Midland Energy Management Competition sponsored by the Birmingham Post newspaper and the Department of Energy.

A panel of experts headed by Mr. J. K. L Thompson, regional director at the department, chose 3M from the list of entries as the company that had shown the best improvement in energy conservation.

صورة طبق الأصل

NEW HIGHS AND LOWS FOR 1976

Too numerous to name individually, the 234 new 1976 lows recorded among securities listed in the Share Information Service yesterday are given below in their subsections. There were 26 new highs.

NEW HIGHS (26)

FOREIGN BONDS (1)
Japan 6pc 1983-88

AMERICANS (6)
Chicorp — Otis Elevators
Cont. Illinois — Shell Oil
Mfrs. Hanover — Woolworth

CANADIANS (1)
Bow Valley

BANKS (1)
Bank of America

BUILDINGS (2)
HAT Group — Parker Timber

ENGINEERING (4)
Clifford (Ch.) — Record Ridgway
G.K.N. — Spirax-Sarco

INDUSTRIALS (7)
Amag'd Metal — De La Rue
Biddle Hldgs. — Sale Tilney
Clarke (Clement) — Stag Furniture
Courtney Pope

TRUSTS (2)
Kakuzi — Moss Mort. & Realty

OILS (1)
Siebens (U.K.)

MINES (1)
Patino N-V

NEW LOWS (234)

COM'WEALTH & AFRICAN LOANS (2)
FOREIGN BONDS (1)
AMERICANS (1)
BANKS (6)
BEERS (7)
BUILDINGS (11)
CINEMAS (2)
DRAPERY & STORES (1)
ELECTRICALS (5)
ENGINEERING (10)
FOODS (1)
HOTELS (1)
INDUSTRIALS (33)
MOTORS (7)
PROPERTY (26)
SHIPPING (3)
TEXTILES (7)
TOBACCOS (1)
TRUSTS (70)
OILS (2)
OVERSEAS TRADERS (3)
MINES (29)

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	57	—	2
Corpns., Dom. and Foreign Bonds	2	29	33
Industrials	138	684	986
Financial and Prop.	42	248	283
Oils	4	9	19
Plantation	3	3	60
Mines	3	79	65
Recent Issues	5	20	50
Totals	254	1,072	1,398

ACTIVE STOCKS

YESTERDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1976 high	1976 low
ICI	£1	18	388	−2	404	334
Grand Metropoltn	50p	15	68	−1	88	68
Burmah Oil	£1	14	34	−1	53	31
MEPC	25p	14	64	−1	98	63
Marks & Spencer	25p	14	92	—	108	91
Rank Org.	25p	14	153	−2	195	142
English Prop.	50p	13	49	—	76½	46½
Slater Walker	25p	13	23	—	31	22
Tst. Houses Forte	25p	13	104	−7½	133	102½
"Bats"	25p	12	358	—	377	342
Barclays Bank	£1	11	275	−5	350	272
GKN	£1	11	342	−4	350	266
Lonrho	25p	11	98	+4	131	84
Shell Transport	25p	11	406	−2	422	378
British Leyland	50p	10	28	—	36	22

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e) and reproduced to-day in Stock Exchange dealings.

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1976 high	1976 low
ICI	£1	86	388	−11	404	334
Burmah Oil	£1	69	34	−4	53	31
BP	£1	66	608	−3	615	575
Shell Transport	25p	60	406	−6	422	378
Rank Org.	25p	55	153	−2	195	142
Slater Walker	25p	53	23	−2	31	22
Marks & Spencer	25p	52	92	−2	108	91
Charter Cons.	25p	48	118	−20	199	118
Distillers	50p	46	144	−6	152	142½
Town & City	10p	46	14	−2	23	13½
Barclays Bank	£1	45	275	−15	350	272
Cons. Gold Fields	25p	45	154	−6	220	146
Lucas Inds.	£1	45	221	−7	230	185
Midland Bank	£1	45	273	−5	320	264
EMI	50p	44	251	−14	277	223

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Mar. 30	Apr. 12	Jun. 24	July 6
Apr. 13	Apr. 27	July 8	July 20
Apr. 28	May 10	July 22	Aug. 3

"Calls" were dealt in Dunlop, Cons. Gold Fields, Lonrho, Ultramar, Burmah Oil, Trust Houses Forte, Caper Neill, National Westminster Bank Warrants, J. Lyons 'A,' Cavenham Warrants, Ladbroke, Charterhall Finance, English Property, Johnson Firth Brown, Plessey and Head Wrightson. "Puts" were done in Dunlop and Town and City, while "doubles" were arranged in Shell Transport, Burmah Oil, Avon Rubber, Grand Metropolitan Warrants, ICI, CCH Investments and Slater Walker.

Industrials		Guardian	20	Spillers	5	Shell	25
		G.K.N.	22	Tesco	5	Ultramar	20
A. P. Cement	16	Hawker Sidd	35	Thorn "A"	20		
Assoc. Leisure	5	House of Fraser	8	Tube Invest.	27	Mines	
Barclays Bank	22	I.C.I.	21	Unilever	40	Anglo Amer.	50
Beecham	26	"Imps"	7	Utd. Drapery	10	Charter Cons.	16
Boots Drug	12	I.C.L.	14	Vickers	13	Chart'h'll Fin.	5
Bowaters	16	Inveresk	7	Williams Hud'n	4	Cons. Gold	15
B.A.T.	50	Legal & General	13	Woolworths	6	De Beers Def.	35
British Leyland	7	Ladbroke	11			F. S. Geduld	650
BOC Int.	5½	Lloyds Bank	22	Property		Great Boulder	12
Burton 'A'	7	"Lots"	5½	Brit. Land	4½	Hampton Areas	12
Cadburys	6	"Mams"	6	Cap. Counties	5½	Hampton Prop.	4
Courtaulds	11	Marks & Sp'ncer	10	E.P.	8	[illegible]	100
Debenhams	8	Midland Bank	22	Ins. Europ	7	Lonrho	12
Distillers	13	Nat'West Bank	20	Land Securities	16	Loraine	65
Dunlop	7½	"Do" Warrants	8½	MEPC	10	Poseidon	55
Eagle Star	15	P & O Dfd.	11	Peachey	5½	Pres. Steyn	200
E.M.I.	17	Plessey	8	Town & City	3½	Rio T. Zinc	17
Gen. Accident	16	R.H.M.	6	Town & Comm.	5	Welkom	55
Gen. Electric	15	Rank Org. 'A'	15			West Areas	40
Glaxo	55	Reed Int'l	23	Oils		Western M'ng.	18
Grand Met	7	Rothmans	4	Brit. Petroleum	40		
G.U.S. 'A'	17	Slater Walker	3½	Burmah Oil	7		

LOCAL AUTHORITY BOND TABLE

Authority *(telephone number in parentheses)*	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Coventry (0203 25555)	11¾	½-year	1,000	5
Hove (0273 775400)	11	½-year	1,000	2
Hove (0273 775400)	11½	½-year	1,000	3-5
Liverpool (051 227 3911)	10¾	½-year	500	3-4
Liverpool (051 227 3911)	11½	½-year	500	5-6
Monmouth (049 55 2311)	11	½-year	1,000	2
Reading (0734 55911)	11¾	½-year	1,000	5-7
Redbridge (01-478 3020)	11¾	½-year	1,000	5-7
Sefton (051 922 4040)	11½	½-year	2,000	3-5
Southend (0702 49451)	11	½-year	250	2-4
Sutton (01-642 6060)	11	½-year	500	4-6
Wandsworth (01-874 6464)	11¾	½-year	5,000	5-7
Wandsworth (01-874 6464)	11½	½-year	1,000	5-7
West Yorkshire (0924 67111)	10¾	½-year	1,000	3
West Yorkshire (0924 67111)	11	½-year	1,000	4-7
Wrekin (0952 3571)	11¾	½-year	2,000	5-7

U.K. CONVERTIBLE STOCKS 2/4/76

Statistics provided by *data STREAM International*

Name and description	Size (£m.)	Current price	Terms*	Conversion dates	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.¶	Income Diff.♡	Cheap(+) Dear(−)◇ Current
Alcan Aluminium 9pc Cv. 89-94	12.00	70.00	100.0	76-80	13.3	13.9						
Associated Paper 9½pc Cv. 85-90	1.40	79.00	200.0	76-85	12.3	13.1	9.7	−20 to 10	48.7	48.4	−0.5	−10.2
Bank of Ireland 10pc Cv. 91-96	10.25	128.00	35.7	77-00	7.8	7.0	8.6	−26 to 16	46.4	59.4	11.0	−2.4
BPB 7½pc Cv. 89-94	4.80	96.00	62.0	72-80	8.1	8.2	1.9	−41 to 13	21.6	22.9	1.4	−0.5
English Property 6½pc Cv. 98-03	19.16	122.00	234.0	76-80	5.5	5.1	8.6	−15 to 9	26.5	20.4	−5.5	−14.1
English Property 12pc Cv. 00-05	15.40	112.00	150.0	76-84	11.2	11.2	55.6	−6 to 56	28.8	59.2	42.2	−13.4
Grand Metropolitan 10pc Cv. 91-96	123.99	98.00	120.2	73-78	10.8	10.9	10.5	−5 to 18	11.4	13.1	2.0	−8.5
Hanson Trust 6½pc Cv. 88-03	4.51	88.00	57.1	76-86	7.4	7.8	14.9	−35 to 20	30.9	33.1	2.9	−12.0
Hewden-Stuart 7pc Cv. 1995	0.72	140.00	280.0	75-95	5.0	4.1	13.6	12 to 29	56.7	48.0	−8.7	−22.3
Lyons, J. 7½pc Cv. 1981	3.60	76.00	22.7	75-81	9.3	13.1	198.4	120 to 201	11.8	25.3	51.6	−146.8
Slough Estates 10pc Cv. 87-90	5.50	137.00	125.0	78-87	7.4	5.8	30.5	19 to 33	26.1	56.2	28.7	−1.8
Tozer Kemsley 8pc Cv. 1981	7.33	90.00	153.8	74-79	8.8	10.2	14.7	−1 to 29	15.5	18.7	4.1	−10.6
Wilkinson Match 10pc Cv. 83-98	11.10	86.00	40.0	76-83	12.0	12.1	40.3	34 to 50	20.8	46.5	44.7	−4.6

* Number of Ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent. of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of Ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on Ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 5 per cent. per annum and is present valued at 15 per cent. per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 15 per cent. per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent. of the value of the underlying equity. ◇ The difference between the premium and income difference expressed as per cent. of the value of underlying equity. + is an indication of relative cheapness, − is an indication of relative dearness.

BUILDING SOCIETY RATES

	Deposit Rate	Share Accnts.	Subp'n Shares	Variable Term Shares
National	6.75%	7.00%	8.25%	●7.50%
	6.75%	7.00%	8.25%	‡‡7.75%
	6.75%	7.00%	8.25%	‖7.75%
...ham Incorporated	6.75%	7.00%	8.25%	—
...d and Bingley	6.75%	7.00%	§8.25%	—
...and West	6.75%	7.00%	8.00%	—
Economic	6.75%	7.00%	8.25%	†7.25%
...a	6.75%	7.00%	8.25%	‡‡7.75%
	6.75%	7.50%	8.50%	—
	6.25%	■7.40%	7.80%	—
	6.75%	7.00%	9.00%	†7.25%
...nam and Gloucester	6.75%	7.00%	—	‡7.75%
Regency	6.75%	7.25%	8.75%	—
London	7.00%	7.25%	8.25%	—
...d Metropolitan	6.75%	7.25%	7.50%	§8.00%
...y Economic	6.75%	7.00%	8.75%	§§7.75%
...ire	6.75%	7.00%	8.25%	□7.50%
	6.75%	7.00%	8.25%	¶7.75%
...ich	6.00%	7.10%	8.50%	—
...n	6.75%	7.25%	7.50%	†7.80%
	6.75%	7.00%	8.25%	¶7.75%
...s and Thanet	6.75%	7.00%	8.25%	—
...of Oak & Enfield	6.75%	7.25%	8.50%	—
	7.00%	7.30%	—	*8.05%
...gton Spa	6.87%	7.12%	9.50%	7.50%
...nd Holbeck	6.75%	7.00%	8.25%	—
Permanent	6.75%	7.00%	8.25%	—
...r	6.75%	7.00%	8.25%	††7.75%
...al	6.75%	7.00%	8.30%	*7.50%
& Planet	6.75%	7.00%	7.75%	○7.75%
...ton Permanent	6.45%	7.65%	—	—
...l Counties	7.00%	7.25%	8.25%	○7.75%
...ide	6.75%	7.00%	7.50%	◇8.25%
...le Permanent	6.75%	**7.00%	7.75%	8.00%
...n Rock	6.75%	7.00%	8.00%	‡8.00%
...ondon	7.50%	8.00%	—	◇8.50%
	6.75%	7.00%	8.25%	—
	6.75%	7.00%	7.50%	¶¶7.50%
...y Owners	6.75%	7.50%	8.50%	†7.85%
...al	6.75%	7.00%	8.25%	7.75%
	6.75%	7.00%	8.25%	‡‡7.75%
Mutual	6.75%	○7.30%	—	—
...nd Country	6.50%	7.00%	10.00%	¶¶7.75%
...h Equitable	6.75%	7.00%	8.25%	¶7.75%

...um £2,000 6 mths. notice. † 3 mths. ‡ 3 yrs. § 3 yrs. in... bonus. ‖ Min. £500 2 yrs. fixed. # 4th issue 2 yrs. ● Min. ...ver 2 yrs. 7.75% over £5,250. ** 7.50% over £5,000. †† 2-3 ... 2 yrs. §§ 7.50% 3 mths. notice after 3 mths. ¶¶ 2 yrs. ...in. ¶ Min. £100 2 yrs. fixed. ○ Min. £1,000 6 mths. notice. ...£5,000. ◇ £5,000 and over 7.85%. ‡ Min. £1,000 3 mths. ...e. □ Min. £5,000 3 mths. notice. ■ 7.45% over £5,000.

STOCK EXCHANGE REPORT

Sterling's weakness again depresses Gilts and equities

Late recovery leaves index 2.3 down at 396.5 after 391.4

Account Dealing Dates

Option

*First Dealings	Declarations	Last Dealings	Account Day
Mar. 22	Apr. 1	Apr. 2	Apr. 13
Apr. 5	Apr. 14	Apr. 15	Apr. 28
Apr. 20	Apr. 29	Apr. 30	May 11

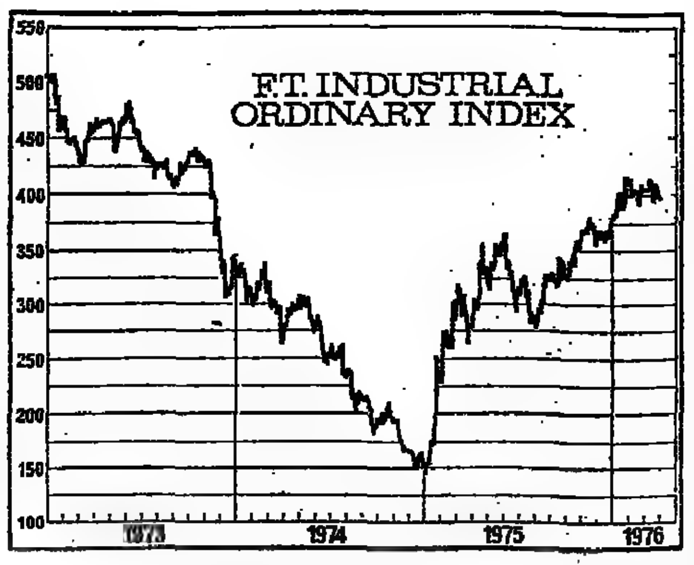
* "New time" dealings may take place from 9.30 a.m. two business days earlier.

With no relaxation in the pressure on sterling, stock markets ended a nervous week yesterday with further widespread falls although leading equities staged a late technical recovery which left prices up to 5 above the day's lowest. Hopes held earlier in the week for *another reduction in Minimum* Lending Rate having been firmly knocked on the head by sterling's sorry performance. Gilts came on offer again with short-dated issues closing at the worst with falls of ⅛; the longs ended with similar falls, but closed a shade off the bottom.

Trading was thin again, although yesterday's markings, at 7,804, were the highest for over three weeks, and prices remained sensitive as jobbers endeavoured to keep level books ahead of the week-end, Monday's Labour leadership vote and Tuesday's Budget. There was the odd firm spot in equities, but FT-quoted issues *overall showed falls in a* majority of nearly five-to-one over rises. Trading was rather featureless, and the FT 30-share index was looking particularly weak at noon with a loss of 7.4. In the afternoon, however, scattered small buying, some for the new Account, lifted prices well above the worst and the index was *finally only 2.3 down* on the day at 396.5 to show a fall on the week of 13.9. This goes against the rise of 16.1 recorded in the first leg of the Account.

Sterling's plight was still the major consideration in Gilt-edged and the market reacted accordingly. The House of Commons Expenditure Committee's report and its reference to an "economic miracle needed" also contributed to the gloom and closing quotations were either at the lowest or slightly above the worst. Business tended to contract further and was often one way, leaving final losses of another ⅛ among the shorts and the longs. Similar amounts were lost by Corporations and Southern Rhodesians drifted lower still.

A brisk morning trade pushed *the investment currency premium* up to 108¾ per cent. Later conditions were in complete contrast and the rate slipped back to close ⅞ lower on the day at 105¾ per cent. Yesterday's SE conversion was 0.6693 (0.6695).



Discounts pick up

The big four Banks remained quiet. Prices drifted gently lower and **Barclays** closed 5 off at 275p and **Midland** 2 down at 273p. A dull market on Thursday following small selling and no support, Discounts tended to pick up in places but only marginally, **Cater Ryder** retrieving 5 at 252p. Merchant Banks were irregular; *ahead of Monday's preliminary* results, **Antony Gibbs** shed 2 to 46p. **Brown Shipley** declined 8 at 170p. Further consideration of the results left **Schroders** 5 dearer at 350p. Among Hire Purchases, **British Debt Services** eased 2 to 9p on the interim dividend omission and first-half loss.

Insurances closed easier *throughout*. **Sun Alliance** gave up 5 to 430p and **Phoenix** lost 4 at 214p as did **Equity and Law**, 168p. **Britannic** were also 4 lower at 144p and losses of 3 were sustained by **Prudential**, 139p, **Alexander Howden**, 144p, and **Minet**, 109p.

Distilleries came on offer yesterday and closed with falls of up to 4 as in **Arthur Bell** at 150p. **Highland**, with results due Monday, receded 3 at 103p Breweries also tended easier.

London Brick remained a dull *market*, losing 2 more at 53p following Press comment on the results. **MP Kent** reacted 4 to 28p on the first-half profits setback, but **Breedon Cloud Hill and Lime** edged up 2 to 85p on the increased earnings. **AP Cement** were also notably better at 189p, up 4.

ICI were finally only 2 off at 388p, after 383p, following the chairman's statement at the annual meeting. Elsewhere in Chemicals, **Albright and Wilson** gave up 2 at 95p following Press mention, while **Storey Bros.**, ahead of Monday's preliminary statement, shaded 1½ to 70½p. Against the trend, **Fisons** hardened 2 more to 375p *for a two-day rise of 9*.

Combined English weaker

Combined English, still reflecting *the preliminary statement*, reacted 5 further to 75p for a two-day loss of 9. **Elys (Wimbledon)** were lowered 10 to 50p on the sharply reduced earnings, while Newsagencies had **W. H. Smith "A"** 4 easier at 346p and **Martin the Newsagent** 6 cheaper at 152p. In Mail Orders, **Grattan Warehouses** eased 2 to 90p ahead *of Monday's preliminary statement*.

After losing fresh ground, Electrical leaders mustered a rally on "bear closing" to finish with marginal mixed movements on balance. **GEC** were finally a net penny up at 156p, after 151p, while **Plessey** closed unaltered at 80p, after 76p, but **EMI**, unsettled of late by reports of increased competition for its X-ray scanners, ended 3 lower at 251p, after 248p. **Thorn Electrical**, which have been showing relative *firmness on hopes of a* Budget cut in the 25 per cent. VAT rate on televisions, reacted to 268p before ending a net 2 easier at 270p. Secondary issues stayed in easier vein, with **Dorman Smith**, 120p, and **Electrocomponents**, 122p, both cheapening 4, and **Racal Electronics** wilting 6 to 256p.

Engineerings were not too badly affected and **GKN** closed 4 easier at 342p, after 339p, while **Hawker** lost a similar amount at 414p, after 412p. Falls among secondary issues were generally slightly less, although **F. Pratt** fell 5 to 68p. Against the trend, **Charles Clifford** moved up 7 more *to 107p, still on the bid approach*, and **Spirax-Sarco** gained 5 to a 1976 high of 154p. **Hall-Thermotank** were dull at 71p until the after-hours' business when renewed inquiry lifted the price to 76½p, for a net rise of 2½. News items failed to help either **APV**, 265p, **Expanded Metals**, 78p, or **Startrite**, 47p, all of which were *a shade cheaper*. Elsewhere, **Clarke Chapman** shed 2½ to 70p, but **Whessoe** rallied late from 58p to end a net 3 easier at 60p.

Foods had a couple of dull spots in **Rowntree Mackintosh**, 6 cheaper at 202p in front of next Thursday's preliminary satement, and the Dublin-based **Williams and Woods**, which reacted 5 to *30p on the loss* and reduced dividend. **Louis C. Edwards** eased a penny to 8p on the dividend omission and loss.

Trust Houses Forte, which will be quoted ex the "rights" issue on Monday, declined 7½ to 104p for a loss on the week of 11. **Ladbrokes** were lowered 4 to 99p.

In further thin trading, miscellaneous Industrial leaders picked up from initially lower levels to end with minor movements either way. After weakening further to 191p, **Bowater** responded to results a little better than expected with a rally to 197p for an improvement of 2 on the day. **Reckitt and Colman** recouped 3 to 325p ahead of Monday's results. Elsewhere, **Courtney Pope** improved 3 to a 1976 peak of 76p, benefiting from the rise in the interim dividend and proposed 100 per cent. scrip issue, the full interim report is due next Thursday. **Amalgamated Metal** put on 4 more to 240p and **Security Services "A"** were similarly higher at 62p, but **Sandhurst Marketing** receded 4 to 29p. **Ozalid** shed 2 to 125p; the price was incorrect in yesterday's issue.

Interest in Motors and Distributors was largely confined to **Rolls-Royce**, which were quoted ex the "rights" issue yesterday; after opening at 6½p premium, the new nil-paid shares slipped to 4½p premium before closing at 7p premium after a reasonable *turnover*. *The old* ended unchanged at 55p, after 52p. **Lucas** also closed a penny harder at 221p, after 216p, but **Henlys**, 74p, and **Dowty**, 159p, shed 3 apiece.

The preliminary figures of **British Printing** had a poor reception and a late reaction ensued to 48½p, down 3½ on the day. Earlier, **Hindson Print** shed 3 to 45p and **Chapman (Balham)** were similarly cheaper at 130p. In Publishers, profit-taking after the excellent results lowered **Associated Book** 3 to 69p. Late news that a 20 per cent. stake in the company had changed hands at $2 per share lifted **Morgan Grampian** 9 to 88p, after 90p.

Oils marginally lower

Oils closed only marginally easier and a shade above the day's lowest, **British Petroleum** closing 2 cheaper at 608p, after 605p, and **Shell** a like amount down 406p, after 404p. **Burmah** picked up from 33p to end only the turn off at 34p, but **Tricentrol** lost 3 to 54p. Partners in the Pan Ocean North Sea consortium fared well again and **Bow Valley** gained 1½ to £16, while **Sunningdale** rose 20 to 860p and **Siebens (U.K.)** 10 to 310p; **Pan Ocean** were suspended on Thursday at £11⅞.

A weak market of late on talk *of possible further failures* in the sector, Property leaders drifted lower in the early stages in thin trading; however, prices picked up late on meeting some buying for the new Account, **British Land** ending a net penny better at 30½p. **Land Securities**, 165p, after 163p, and **English Property**, 48p, after 46½p, finished *without alteration* although leaving respective falls of 11 and 7½ on the week, while **MEPC**, a penny lower at 64p, after 62p, showed a week's loss of 11. **Hammerson "A"** lost 7 to 323p and **Barratt Developments** 3 to 115p.

Overseas Traders looked a shade softer in places, although **Lonrho** managed to rally 3 to 98p. **Inchcape** *finished 3 off at* 412p, after 410p, and **Mitchell Cotts**, still on the first-half report, eased another penny to 45p.

For the third consecutive trading day, **Reardon Smith** encountered profit-taking, the Ordinary falling 35 more to 235p, after 230p, and the "A" another 3 to 66p, after 62p. Elsewhere, **Hunting Gibson** ran back 10 to 148p and **Milford Docks** lost 3 at 36p, but *P & O Deferred* closed only a penny easier at 92p.

Lubok Investments were a shade firmer at 13p and the 12 per cent. Convertible is 11 points higher at £82 on receipt of the revised bid terms from Lonrho.

Textiles made a generally dull showing. News of the mill closure at Bolton and major cutback in *productive* capacity at a weaving concern in the same area left **Tootal** 2 down at a 1976 low of 35½p. **Carpets International** with results due April 14, declined 3 to 99p and falls of 2 were seen in **Textured Jersey**, 18p, **Tricoville**, 28p, and **Montfort (Knitting Mills)**, 26p. Awaiting further news on the bid *situation*, **William Reed** also receded 2 to 36p. **Courtaulds** touched 143p but rallied late to close unaltered at 146p. **Imps** gave up a penny to 74p in quiet Tobaccos.

Golds plummet

It was a poor week for South African mining shares following the increased surcharge and loan levy imposed in the South African budget on Wednesday coupled with the political uncertainty in southern Africa.

Gold shares were again severely affected, despite the modest rise in the bullion price of 50 cents to $129.25 per ounce, although this was still $1.50 down over the week. Substantial U.S. selling of Golds late on Thursday caused jobbers to mark down share prices sharply and when a fresh wave of heavy selling from all quarters developed here prices were further lowered. The Gold Mines index dropped 8.0 to 142.4—its lowest since August 15, 1973, and a week's loss of 30.8.

Financials mirrored Golds. In Coppers, **Messina** fell 10 to 180p
despite the strength of
price. Platinums, whi
ahead earlier in the we
ing news that Rustenb
increase production, lo
on profit-taking. In Ti
Tin were unchanged at
pite the recent take
developments.

Australians were mix
with the trend in overs
markets. Uraniums lo
on consideration of th
Government's latest fi
vestment policy statem
continental retreated
125 to 900p for a weel
325p.

FINANCIAL TIMES STOCK INDIC

—	April 2	April 1	March 31	March 30	March 29	March 2
Government Secs.	61.73	62.10	62.43	62.50	62.24	62.1
Fixed Interest	61.63	61.92	61.97	62.00	61.79	61.7
Industrial Ordinary	396.5	398.8	402.4	404.2	406.4	410.
Gold Mines	142.4	150.4	150.6	158.2	168.1	173.
Ord. Div. Yield %	6.22	6.19	6.16	6.14	6.12	6.0
Earnings Y'ld % (full)(a)	15.67	15.53	15.45	15.39	15.31	15.1
P/E Ratio (net) (a) (b)	9.36	9.44	9.48	9.52	9.57	9.6
Dealings marked	7,804	7,237	6,898	7,094	6,203	5,92
Equity turnover £m	—	66.79	57.18	68.55	53.67	59.2
Equity bargains total	—	22,201	18,246	20,736	17,871	17,16

10 a.m. 395.9. 11 a.m. 394.5. Noon 391.4. 1 p.m. 392.8. 2 p.m. 394.1. 3 p.m. 394.4.
Latest Index 01-246 8026.

(a) Based on 52 per cent. corporation tax. (b) Nil=9.2. Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/3 Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

—	1976 High	1976 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	65.21 (30/1/76)	60.19 (2/1/76)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	64.45 (2/2/76)	59.73 (2/1/76)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	417.4 (30/1/76)	381.6 (6/1/76)	543.6 (13/5/72)	49.4 (26/6/40)
Gold Mines	246.9 (2/1/76)	142.4 (2/4/76)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIV

—	April 2
Daily—	
Gilt-Edged	191.
Industrials	263.
Speculative	78.1
Totals	177.
5-day Av'r'ge	
Gilt-Edged	167.
Industrials	236.
Speculative	70.2
Totals	160.

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS GROUPS & SUB-SECTIONS Figures in parentheses show number of stocks per section.	Friday, April 2, 1976: Index No.	Day's Change %	Est. Earnings Yield % (Max.) (Corp. Tax 52%)	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (net) (Corp. Tax 52%)	Est. P/E Ratio (nil) (Corp. Tax 52%)	Thurs. April 1: Index No.	Wed. March 31: Index No.	Tuesday March 30: Index No.	Monday March 29: Index No.	Year ago (approx.): Index No.	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (172)	152.66	−0.9	16.17	5.63	9.93	9.92	154.11	154.75	155.84	156.21	106.55	157.57 (11/3)	143.66 (2/1)	206.37 (4/5/72)	50.71 (13/12/74)
2	Building Materials (30)	142.55	−0.9	18.08	6.16	12.47	12.46	143.47	145.22	146.04	146.17	93.81	150.16 (15/1)	136.49 (20/2)	233.84 (2/5/72)	44.27 (11/12/74)
3	Contracting, Construction (23)	228.55	−0.5	15.71	4.45	9.86	9.86	229.05	232.57	234.62	233.15	197.99	260.20 (15/1)	227.29 (2/3)	369.33 (19/5/72)	71.48 (2/12/74)
4	Electricals (16)	264.70	−1.2	16.46	4.81	8.90	8.90	267.92	268.00	270.41	273.62	196.21	279.40 (11/3)	250.60 (6/1)	350.04 (4/5/72)	65.71 (22/5/62)
5	Engineering (Heavy) (13)	170.55	−2.2	19.47	6.92	8.34	8.34	174.55	176.56	177.91	181.40	125.44	181.40 (29/3)	163.90 (6/1)	202.57 (8/6/75)	94.45 (1/3/75)
6	Engineering (General) (63)	142.85	−0.8	16.63	6.00	9.56	9.55	143.99	143.99	144.94	145.34	91.40	145.66 (26/3)	125.46 (2/1)	168.59 (4/5/72)	45.14 (6/1/75)
7	Machine and Other Tools (9)	58.77	−0.4	14.57	6.55	12.55	12.55	58.96	59.50	59.98	60.05	38.22	60.17 (29/3)	51.19 (6/1)	136.70 (4/7/66)	19.95 (13/12/74)
8	Miscellaneous (25)	132.62	−1.5	16.07	6.36	10.20	10.20	134.30	134.15	134.84	134.00	95.36	134.86 (26/2)	121.55 (2/1)	177.41 (27/4/72)	48.65 (6/1/75)
9	CONSUMER GOODS (DURABLE) (53)	135.44	−1.5	14.95	4.64	10.06	10.05	137.65	138.18	138.86	138.76	78.55	141.28 (11/3)	121.67 (2/1)	227.78 (21/4/72)	58.39 (6/1/75)
10	Lt. Electronics, Radio TV (15)	154.50	−1.6	12.85	3.46	11.59	11.57	157.58	157.10	157.54	156.95	90.11	160.15 (11/3)	139.18 (2/1)	267.41 (19/5/72)	42.85 (12/12/74)
11	Household Goods (13)	179.08	−1.9	18.28	6.40	7.75	7.71	182.56	182.41	182.54	182.48	124.97	184.94 (26/2)	163.28 (2/1)	263.22 (4/5/72)	65.92 (17/12/74)
12	Motors and Distributors (25)	79.56	−0.9	16.97	6.96	9.06	9.06	80.27	81.62	82.67	82.97	42.16	86.05 (16/3)	70.05 (6/1)	170.59 (15/1/69)	19.91 (6/1/75)
13	CONSUMER GOODS (NON-DURABLE) (168)	148.90	−0.9	14.05	5.97	10.56	10.46	150.25	151.51	152.84	153.06	118.62	162.94 (4/2)	148.76 (22/3)	226.08 (16/5/72)	61.41 (13/12/74)
14	Breweries (15)	153.14	−1.2	14.73	7.04	10.16	10.15	154.97	156.30	157.52	157.98	133.09	179.45 (2/2)	152.74 (22/3)	281.87 (28/11/72)	69.47 (13/12/74)
15	Wines and Spirits (7)	176.09	−0.8	10.51	5.75	14.44	14.44	177.55	179.39	181.72	181.72	140.16	186.89 (16/3)	175.71 (22/1)	257.40 (15/7/73)	76.81 (13/12/74)
16	Entertainment, Catering (14)	182.26	−2.9	15.44	7.12	11.45	11.36	187.75	190.93	193.60	193.26	118.77	211.36 (2/3)	182.26 (2/4)	329.93 (13/12/72)	54.37 (18/7/74)
17	Food Manufacturing (22)	165.57	−0.4	13.90	6.06	11.01	10.95	166.29	166.72	168.30	167.72	125.29	174.03 (4/3)	162.69 (20/2)	211.65 (1/6/72)	59.78 (11/12/74)
18	Food Retailing (16)	155.51	−0.6	12.34	5.11	11.76	11.79	156.50	158.25	159.10	158.41	122.74	160.06 (12/1)	155.51 (2/4)	235.06 (16/2/72)	54.25 (11/12/74)
19	Newspapers, Publishing (16)	176.75	−0.7	12.98	5.89	11.56	11.66	177.94	179.50	180.01	181.14	123.79	184.34 (11/2)	163.47 (2/1)	260.29 (16/1/72)	56.06 (6/1/75)
20	Packaging and Paper (13)	104.19	−1.5	19.51	7.36	7.69	7.70	105.84	106.44	106.85	107.47	83.42	112.50 (26/2)	104.19 (2/4)	135.69 (26/4/72)	43.46 (6/1/75)
21	Stores (34)	123.46	−0.6	13.18	5.46	12.66	12.63	124.51	125.86	126.25	127.45	105.42	136.24 (2/2)	122.56 (22/3)	204.39 (16/6/72)	52.63 (6/1/75)
22	Textiles (23)	164.96	−0.6	15.39	6.71	8.65	9.32	165.62	166.27	167.55	169.70	117.06	182.19 (30/1)	164.86 (2/4)	185.75 (17/8/69)	62.66 (11/12/74)
23	Tobaccos (3)	215.67	−0.9	20.38	6.57	7.54	7.54	217.45	220.22	220.17	220.75	174.46	236.22 (5/2)	211.56 (6/3)	339.16 (2/5/72)	94.34 (13/6/62)
24	Toys and Games (6)	69.76	−1.2	16.54	6.32	7.15	7.13	70.75	71.17	71.52	69.79	37.92	71.52 (30/3)	59.15 (23/1)	135.72 (16/1/70)	20.92 (6/1/75)
	OTHER GROUPS (96)															
25	Chemicals (26)	216.44	−1.3	12.00	4.46	11.58	11.66	219.22	220.55	220.57	221.07	143.04	226.72 (12/3)	199.46 (6/1)	238.72 (12/3/76)	71.20 (1/12/74)
26	Office Equipment (9)	90.71	−1.4	14.19	6.69	10.75	10.75	92.02	91.59	92.86	92.70	94.00	97.65 (31/1)	85.09 (2/1)	246.06 (1/9/72)	45.34 (2/1/75)
27	Shipping (12)	369.77	−2.0	19.34	6.70	6.62	6.36	377.41	379.51	380.05	382.50	356.15	432.64 (30/1)	355.52 (19/3)	517.00 (5/12/72)	90.80 (29/6/62)
28	Miscellaneous (49)	163.41	−1.1	14.44	6.62	10.21	10.20	165.16	167.06	167.97	168.95	119.46	172.73 (30/1)	156.79 (2/1)	258.83 (2/5/72)	60.39 (6/1/75)
29	INDUSTRIAL GROUP (496)	166.19	−1.0	14.21	5.65	10.35	10.30	167.84	169.06	169.81	170.36	115.76	174.06 (30/1)	162.00 (2/1)	220.17 (1/5/72)	59.01 (13/12/74)
30	OILS (4)	350.39	−0.4	14.23	4.69	7.94	7.61	351.86	351.68	352.74	355.05	200.34	366.97 (12/3)	331.34 (16/2)	431.66 (23/5/68)	87.23 (29/5/62)
31	500 SHARE INDEX	172.33	−1.0	14.21	5.49	9.88	9.74	173.98	175.12	175.88	176.57	125.09	179.18 (11/3)	157.51 (2/1)	227.96 (18/5/72)	63.49 (13/12/74)
32	FINANCIAL GROUP (109)	155.59	−0.8	—	5.42	—	—	156.46	156.45	157.66	157.75	116.61	163.46 (30/1)	133.39 (2/1)	241.41 (1/4/72)	55.88 (13/12/74)
33	Banks (6)	164.61	−0.6	19.77	6.47	7.76	7.76	165.44	166.56	166.15	167.66	129.50	192.16 (29/1)	152.93 (19/3)	288.32 (20/7/72)	62.44 (12/12/74)
34	Discount Houses (10)	154.96	+1.8	—	7.95	—	—	152.20	160.34	159.52	161.20	149.91	166.52 (15/1)	152.20 (1/4)	293.15 (2/7/72)	81.40 (10/12/74)
35	Hire Purchase (5)	116.44	−0.7	—	6.41	—	—	117.23	121.40	124.06	124.59	112.46	132.10 (3/2)	104.50 (2/1)	453.72 (4/5/72)	38.83 (11/12/74)
36	Insurance (Life) (9)	122.71	−1.7	—	6.79	—	—	124.81	124.95	127.24	127.63	94.79	129.46 (30/1)	119.06 (22/3)	194.46 (15/5/72)	44.88 (2/1/75)
37	Insurance (Composite) (7)	109.62	−0.5	—	6.30	—	—	110.12	110.48	111.85	111.97	87.62	119.75 (30/1)	105.32 (6/1)	155.76 (21/4/72)	43.96 (13/12/74)
38	Insurance Brokers (9)	237.10	−1.7	9.06	3.93	16.38	16.38	241.28	245.98	245.07	244.20	156.91	246.31 (11/3)	218.28 (6/1)	262.37 (12/12/72)	65.86 (16/12/74)
39	Merchant Banks (17)	80.27	−0.4	—	6.67	—	—	80.61	81.66	82.64	82.07	64.32	93.65 (27/1)	80.27 (2/4)	278.57 (1/5/72)	31.21 (7/1/75)
40	Property (31)	157.11	−1.5	3.21	3.14	54.94	55.82	159.20	162.50	166.20	166.47	150.55	194.57 (30/1)	157.11 (2/4)	357.40 (14/11/73)	56.01 (20/4/65)
41	Miscellaneous (6)	78.10	−0.8	16.74	7.19	9.55	9.55	78.70	78.95	80.71	80.17	66.54	91.98 (5/2)	78.10 (2/4)	303.13 (18/5/72)	33.29 (17/12/74)
42	Investment Trusts (50)	155.54	−1.3	3.33	4.66	31.33	31.33	157.59	156.81	158.32	160.59	123.53	164.55 (30/1)	155.54 (2/4)	245.79 (2/4/72)	71.63 (13/12/74)
43	ALL-SHARE INDEX (650)	162.07	−0.9	—	6.44	—	—	163.62	164.61	165.70	166.36	121.50	172.64 (30/1)	160.52 (2/1)	228.18 (1/5/72)	61.92 (13/12/74)
	COMMODITY GROUPS (*Not included in 500 or All-Share indices*)															
44	Rubbers (9)	465.95	+0.1	15.78	7.92	11.14	11.11	464.62	465.95	472.20	466.57	465.04	472.20 (30/3)	404.67 (14/1)	555.37 (22/7/75)	84.68 (25/3/65)
45	Teas (8)	128.27	−0.2	52.85	9.33	4.13	3.86	128.52	129.47	128.00	127.77	83.22	129.47 (31/3)	117.89 (7/1)	129.47 (31/3/76)	59.72 (17/10/74)
46	Coppers (3)	186.31	−3.1	53.04	9.22	1.69	1.89	192.29	194.20	195.11	200.68	409.26	301.47 (7/1)	185.83 (5/3)	567.78 (15/7/73)	94.08 (29/4/62)
47	Mining Finance (11)	93.65	−1.3	12.45	5.30	9.09	9.09	94.90	95.57	98.65	98.51	107.80	119.77 (7/1)	86.18 (5/3)	175.90 (22/4/69)	66.31 (30/9/74)
48	Tins (8)	105.89	+0.4	11.48	8.36	12.69	12.08	105.21	101.94	101.58	101.40	93.14	105.90 (25/3)	86.09 (3/2)	126.43 (12/1/73)	54.85 (27/5/71)
49	Overseas Traders (13)	229.73	−0.8	14.58	4.49	6.99	6.98	231.69	231.46	234.20	233.27	186.45	238.88 (12/2)	229.55 (2/1)	252.23 (20/6/75)	97.37 (6/1/76)

	FIXED INTEREST	Friday, April 2: Index No.	Yield %	Thurs. April 1	Wed. March 31	Tuesday March 30	Monday March 29	Friday March 26	Thurs. March 25	Wed. March 24	Year ago (approx.)	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1	Consols. 2½% yield	—	14.17	14.07	13.96	13.96	13.95	13.94	13.95	13.93	14.06	—	—	—	—
2	20-yr. Govt. Stocks (6)	49.90	‡13.22	49.53	49.88	50.05	49.68	49.70	49.84	*49.59	51.13	53.45 (30/1)	47.56 (2/1)	115.42 (11/9/63)	38.27 (3/1/75)
3	20-yr. Red. Deb. & Loans (15)	49.27	‡14.99	49.34	49.46	49.53	49.50	49.48	49.42	49.50	49.90	51.46 (4/2)	46.68 (2/1)	113.43 (23/10/63)	37.01 (3/1/75)
4	Investment Trust Prefs. (15)	48.02	14.40	48.48	48.76	48.76	48.76	48.81	48.81	48.77	46.16	51.23 (12/2)	46.50 (2/1)	114.41 (15/9/63)	34.45 (4/12/74)
5	Coml. and Indl. Prefs. (20)	66.38	14.56	67.12	67.61	67.79	67.85	68.07	68.07	68.18	65.47	71.97 (2/2)	62.76 (2/1)	114.95 (7/10/63)	47.67 (6/1/75)

Section or Group	Base Date	Base Value
Overseas Traders	31/12/74	100.00
Engineering (Heavy)	31/12/71	153.84
Engineering (General)	31/12/71	153.84
Wines and Spirits	16/1/70	144.75
Toys and Games	16/1/70	135.72
Office Equipment	16/1/70	[illegible]
Industrial Group	31/12/70	128.20
Miscellaneous Financial	31/12/70	128.06
Food Manufacturing	29/12/67	114.13
Food Retailing	29/12/67	114.13
Insurance Brokers	29/12/67	96.67
Mining Finance	29/12/67	100.00
All Other	10/4/62	100.00

‡ Redemption yield. FT-Actuaries indices are calculated by Extel Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By post 20p.

The following changes have taken place in the FT-Actuaries Share Indices:

STOCKS DELETED: Blackwood Morton (Household Goods); A.B. Electronics (Light Electronics, TV); Dimplex (Household Goods); Group Lotus Car (Motors and Distributors); Roneprint (Office Equipment); Francis Industries (Misc. Unclassified); Town and Commercial (Property); Drake and Cubitt Holdings (Cont. and Cons.).

REPLACEMENTS: Hestair (Misc., Unclassified); Carrington Viyella (Textiles); Carless Capel and Leonard (Chemicals); Alginate Industries (Chemicals); H.A.T. Group (Cont. and Cons.); Stobe Carman (Misc., Unclassified); Bradford Property Trust (Property); Ibstock Johnsen (Building Materials).

* Corrected.

MONEY + EXCHANGES

Rise in bill rate

Bank of England Minimum Lending Rate 9 per cent. (since March 5, 1976)

The Treasury bill rate rose by 0.0623 per cent. at yesterday's tender to 8.48 per cent. and Bank *of England Minimum Lending* Rate was unchanged at 9 per cent. The minimum accepted bid was £97.88½ and bids at that level were met as to about 78 per cent. The £550m. bills tendered and allotted attracted bids of £724.6m. and all bills offered were allotted. Next week £300m. will replace maturities of £200m.

Day-to-day credit was again expected to be slightly in surplus, but funds only became available in good supply towards the close. The authorities gave a small amount of assistance by buying Treasury bills from the discount houses. Government disbursements exceeded revenue payments to the Exchequer, and banks carried forward surplus balances. On the other hand, there was a net market take-up of Treasury bills, the authorities held maturing local authority bills, and there was also the usual Friday increase in the note circulation.

Discount houses paid 8¼-8¾ per cent. for secured call loans in the early part, but funds were available at 4-8 per cent. at the close.

Rates in the table below are nominal in some cases.

April 2 1976	Sterling Certificate of deposit	Interbank	Local Authority deposits†	Local Auth. negotiable bonds	Finance House deposit	Company deposits	Discount market deposits	Treasury bills ⊕	Bank Bills ⊕	Fine trade Bills ⊕
Overnight	—	4-8⅜	—	—	—	8½-8¾	4-8⅜	—	—	—
2 days notice	—	—	8⅜-8½	—	—	—	—	—	—	—
7 days or 7 days notice	—	8⅛-8⅜	8⅜-8½	—	—	8¾-9	8-8¼	—	—	—
One month	8⅝-8¼	8¼-8⅜	8⅜-8½	9-8⅞	8⅞-9	8¾-9⅛	8⅞	8⅜-8⅜	8⅜-8⅞	9¾-9
Two months	8½-8⅜	8⅝-8⅞	—	9-8½	8⅞-9⅛	—	8⅛-8¼	8⅞-8¼	⅞	9¾-9
Three months	8⅞-8⅞	8½-8⅝	8⅝	9-8½	8⅞-9⅛	—	8¼-8⅜	8⅜-8⅜	8⅜-8⅜	9¾-9
Six months	9⅛-9	9-9⅛	9-9¼	9⅛-9	9⅞-10	—	—	—	8⅞	9¾-9¼
Nine months	9¾-9⅝	9⅜-9¾	—	10¼-9¾	9⅞-10⅛	—	—	—	—	—
One year	10-9⅞	9⅞-10⅛	10⅜-10⅛	10⅛-10	10¼-10⅞	—	—	—	—	—
Two years	—	—	11¾-12	—	—	—	—	—	—	—

† Local authority and finance houses seven days' notice, others seven days' fixed. * Longer-term local authority mortgage rate nominally three years 12⅛-12⅜ per cent.; four years 12⅝-13⅛ per cent.; five years 13⅛-13⅜ per cent. ⊕ Bank bills rates in table are buying rates for prime paper, buying rates for four-month bank bills 8¾ per cent.; and four-month trade bills 9⅜-9⅛ per cent. Approximate selling rate for one-month Treasury bills 8⅛-8⁵⁄₃₂ per cent.; two months 8⅛-8⁷⁄₃₂ per cent.; and three months 8⁷⁄₁₆ per cent. Approximate selling rate for one-month bank bills 8⅛-8³⁄₁₆ per cent.; two-month 8⁵⁄₁₆ per cent.; and three-month 8¹⁵⁄₃₂-8⁷⁄₁₆ per cent.; for one-month trade bills 9⅛-9⅜ per cent.; two-month 9⅛-9⅜ per cent., and three-month 9⅛-9⅜ per cent.

Finance House Base Rate (published by the Finance Houses Association): 9 per cent. from April 1, 1976. Clearing Bank Deposit Rate for small sums at seven days' notice 5¾ per cent. Clearing Bank Base Rate for lending 9½ per cent. Treasury Bills: Average tender rate of discount 8.4800 per cent.

EXCHANGES AND BULLION

Sterling continued to lose ground in the foreign exchange market yesterday, though the volume of business was not heavy, and the authorities appeared content to only intervene from time to time to steady the decline.

The pound opened at $1.8820-$1.8833 *against the U.S. dollar*, and fell to a lowest ever level of $1.8630-$1.8650, and closed at $1.8695-$1.8705, a *fall of 1.40 cents* on the day.

The Bank of England's calculation of sterling's trade-weighted average depreciation since December 1971, widened to 35.5 per cent. in early dealings, and touched and all-time record of 35.9 per cent. at noon, before finishing at 35.8 per cent., compared with 35.3 per cent. on Thursday.

The Italian lira was also weaker closing at L855½ in terms of the dollar, compared to L841½ previously. The fall followed the publication of an increased trade deficit for February and further doubts about the Italian political situation.

The West German D-mark and Swiss franc finished slightly lower *against the dollar, and* reports from Paris suggested that the French authorities were buying dollars to prevent an upward movement by the French franc.

The dollar's trade-weighted average depreciation, as calculated by Morgan Guaranty of New York, narrowed to 1.90 per cent. from 2.12 per cent.

Gold gained $⅜ to close at $128¾-$129¾ in quiet trading. The krugerrand's premium over its gold content widened to 4.25 per cent. for domestic delivery and to 3.48 per cent in the domestic market.

EXCHANGE CROSS-RATES

April 2	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Frankfu't	—	2.5400 16	54.22 27	6.512 532	4.736 746	94.46 56	100.13 23
N. York	39.31-33	—	21.36-37	2.5600 25	1.8745 8755	37.15 17	39.38 40
Paris	184.50 95	4.677-687	—	12.015-040	8.748 773	174.225 625	184.85-25
Brussels	15.35 38	38.99 02	8.33-35	—	72.81 97	14.50-53	1.5741
London	4.742 75½	1.8695 8705	8.73½-74½	72.90 73.10	—	5.023 033	4.74½-75½
Am'erd'm	105.895 945	2.6857 62	67.39 445	6.885 890	5.0265-0315	—	106.13 18
Zurich	99.84 96	2.5380 95	54.19 28	6.495-505	4.746-754	94.29-43	—

U.S. $ in Montreal. U.S. $=98.22-24 Canadian cents.
Canadian $ in New York. C$=101.77-79 U.S. cents. U.S. $ in Milan 852.00-854.00
Sterling in Milan 1592.00-1596.50.

EURO-CURRENCY INTEREST RATES*

April 2 1976	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	W. German mark	Swiss franc
†Short term	8⅞-8⅜	4⅝-5⅛	8¼-8¾	4¼-4¾	3⅛-3¼	3⅛-3⅝
7 days notice	8⅞-9⅝	4¾-5¼	9-10	4¼-4¾	3⅛-3¼	3⅛-3⅝
Month	10⅞-11⅜	4⅞-5⅜	9¾-10	3¼-3½	3⅛-3¼	1⅛-1¼
Three months	10½-11	5⅜-5⅞	10-10¼	3⅞-3⅞	3¼-3⅜	1⅜-1½
Six months	11-11½	5⅞-6⅛	10⅛-10⅜	3⅞-4⅛	3⅞-4⅛	2⅛-2¼
One year	11⅜-11⅞	6¾-7¼	10¼-10½	4⅞-5⅛	4⅛-4⅜	3⅛-3⅜

Euro-French deposit rate: two-day 11-11½ per cent.; seven-day 11-11½ per cent.; one month 11½-12½ per cent.; three months 12-12½ per cent.; six months 11½-12 per cent.; one year 10½-11 per cent.

Longer-term Eurodollar deposits: two years 7⅛-7⅜ per cent.; three years 5¾-6⅛ per cent.; four years 8⅛-8⅜ per cent.; five years 8⅛-8⅜ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 5¹⁄₁₆-5⁵⁄₁₆ per cent.; three months 5⁵⁄₁₆-5⁷⁄₁₆ per cent.; six months 5⅞-6⅛ per cent.; one year 6¹¹⁄₁₆-6¹⁵⁄₁₆ per cent.

* Rates are nominal closing rates.

† Short-term rates are call for sterling, U.S. dollars and Canadian dollars, two-days' notice for guilders and Swiss francs.

FOREIGN EXCHANGES

April 2 1976	Bank Rates %	Market Rates: Day's Spread	Market Rates: Close
New York	5½	1.8630-1.8855	1.8695-1.8705
Montreal	9½	1.8350-1.8620	1.8400-1.8410
Amsterdam	4	5.00-5.06	5.02¾-5.03¾
Brussels	7	72.65-73.30	72.90-73.10
Copenh'gen	8½	11.35-11.45	11.39½-11.40½
Frankfurt	3½	4.71-4.76	4.74½-4.75½
Lisbon	6½	54.90-55.30	54.95-55.15
Madrid	†7	125.30-126.30	125.40-125.60
Milan	12	1,580-1,600	1,588-1,589
Oslo	6	10.26-10.35	10.28½-10.30½
Paris	8	8.72-8.81	8.73½-8.74½
Stockholm	5½	8.21-8.28	8.24¾-8.25¾
Tokyo	6½	555-570	559-561
Vienna	5	34.00-34.50	34.00-34.20
Zurich	2½	4.71-4.76	4.74½-4.75½

† Basic discount. ‡ Given rates are for convertible francs; closing financial franc 75.65-75.95.

OTHER MARKETS

			¶Notes Rates
◆Argen'na	263.75-265.95	Argentina	700-800
Australia	1.4955-1.5136	Austria	34-35¼
Brazil	18.45-18.65	Belgium	77-79
Finland	7.17-7.19	Brazil	22-25
Greece	67.260-68.926	Canada	1.84¼-86¼
H'ngKong	9.1950-9.2125	Denmark	11.35-55
Iran	127-128	France	8.70-8.80
Kuwait	0.543-0.553	Germany	4.70-4.90
Luxemb'g	72.90-73.10	Greece	66-74
Malaysia	4.7725-4.7870	Italy	1600-1700
N. Zealand	1.8510-1.8613	Japan	570-590
Saudi Arb	6.55-6.65	Netherl'ds	5.00-5.20
Singapore	4.6285-4.6435	Norway	10.30-.50
S. Africa	1.6046-1.6388	Portugal	56-58
U.S.—		Spain	122.5-7.5
Canada		Switz'land	4.70-4.90
C$1—		U.S.	1.87-1.89
U.S. cents	101.58-101.61	Yugoslavia	34-36

¶ Based on rates quoted by special dealers. ◆ Rate given is Official Rate BCRA rate 263.75-265.95.

FORWARD RATES

—	One month	Three month
New York	0.90-0.80 c. pm	2.30-2.20 c. pm
Montreal	0.20-0.10 c. pm	0.15-0.05 c pm
Amst'dam	3¾-2¾ c. pm	8⅝-6⅝ c. pm
Brussels	30-60 c. dis	50-80 c. dis
Cop'hag'n	1 ore pm-par	4¾-2¾ ore pm
Frankfurt	3¼-2¼ pf. pm	9-8 pf pm
Lisbon	60-160 c. dis	400-550 c. dis
Madrid	30-80 c. dis	110-170 c. dis
Milan	28-34 lire dis	60-68 lire dis
Oslo	2 ore pm-par	6-4 ore pm
Paris	½-2½ c. dis	2½-4½ c. dis
Stockh'lm	3-1 ore pm	7¾-5¾ ore pm
Vienna	30-10 gro pm	60-35 gro pm
Zurich	4¼-3¼ c. pm	11-10 c. pm

Six month forward U.S. dollar 4.30-4.20c pm and 12-month 7.50-7.40c p.m.

BASE LEND RATES

Allied Irish Banks L
American Express B
Anglo-Portuguese B
Henry Ansbacher ..
Banco de Bilbao .....
Banco de Jerez .....
Bank of Cyprus .....
Bank of N.S.W. .....
Banque du Rhone S
Barclays Bank........
Barnett Christie L
Bremar Holdings L
Brit. Bank of Mid. E
■ Brown Shipley .....
Canada Permanent
Cayzer, Bowater Co. I
Cedar Holdings .....
■ Charterhouse Japhet
C. E. Coates ....
Consolidated Credits
Co-operative Bank
Corinthian Securitie
Credit Lyonnais .....
G. R. Dawes ....
Duboff Brothers ..
Duncan Lawrie .....
English Transcont..
First London Secs.
■ Antony Gibbs ....
Goode Durrant Trus
Greyhound Guarant
Grindlays Bank .....
■ Guinness Mahon ..
■ Hambros Bank .....
Hawtin & Partners
■ *Hill Samuel* ....
C. Hoare & Co. .....
Julian S. Hodge ..
Hongkong & Shang
Industrial Bank of Sc
Keyser Ullmann ..
Knowsley & Co. Ltd.
Lloyds Bank ....
London & European
London Merc'tile Co
Midland Bank ....
■ Samuel Montagu ..
■ Morgan Grenfell ..
National Westmins
Northern Comm. Tr
Norwich General Tr
Portman Guaranty...
P. S. Refson & Co.
Rossminster Accept
Schlesinger Limited
E. S. Schwab .....
Security Trust Co. Lt
Shenley Trust ....
Standard Chartered
Trade Development B
Twentieth Century B
United Bank of Kuwa
Whiteaway Laidlaw
Williams & Glyn's
Yorkshire Bank ...

■ Members of the Accept committee.
* 7-day deposits 5½%, 1-mont 5¾%.
† 7-day deposits on sums of under 5½%, up to £25,0 over £25,000 6¼%.
‡ Demand deposit 7%.
‡ Call deposits over £1,000 5

CORAL INDEX
Close 396-401

I.G. INDEX
GOLD 128-131

INSURANCE B RATES

† Atlantic Assurance ..
Cannon Assurance ..
† Address shown under Insur Property Bond table.

GOLD MARKET

	April 2	
Gold Bullion (a fine ounce)		
Close	$128¾-129¾	$12
Opening	$129¼-130	$12
Morning fix'g	$129.25 (£69.062)	$12 (£57
Afternoon fix'g	$129.10 (£68.964)	$12 (£68
Gold Coins domestic'lly		
Krugerrand	$134-135½ (£71¾-72½)	$13 (£70
NewSov'r'gns	$44-45½ (£23½-24¼)	$43 (£23
Old Sov'r'gns	$42½-44 (£22¾-23½)	$43 (£22
Gold Coins intern'ly		
Krugerrand	$133-134½ (£71-72)	$131 (£70
NewSov'r'gns	$43-44 (£23-23½)	$43¾ (£23
Old Sov'r'gns	$44¼-45¼ (£23½-24¼)	$42¾ (£22
$20 Eagles	$215-218	$214-
$10 Eagles	$110-113	$110-
$5 Eagles	$60-63	$60-6

SPECIAL DRAWING RIGHT RATES

One SDR is equal to	April 2	A
Sterling	0.617544	0.60
U.S. dollar	1.15419	1.15
Belgian franc	45.0278	44.9
Deutsche mark	2.92703	2.91
French franc	5.40392	5.40
Italian lira	982.360	972.
Japanese yen	345.580	346.
Dutch guilder	3.10131	3.10
Swedish krone	5.07901	5.08
Swiss franc	2.98579	2.98

Values are for currencies again SDR as calculated by the Intern Monetary Fund in Washington.

AUTHORISED UNIT TRUSTS

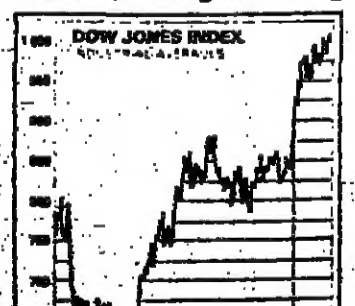
REGIONAL MARKETS

LAWSON AMERICAN FUND

Your Investment in Wall Street

Lawson American Fund is an authorised Unit Trust invested in a portfolio of prime and selected equity stocks in the U.S.A. and Canada. The well diversified portfolio of around thirty stocks provides wide sector coverage of the American economy. The Dow Jones Industrial Average is hovering around the psychological 1,000 barrier for the first time since January 1973 and would appear poised for further upward movement in this Presidential election year. Wall Street still remains cheap in an historical context with many high quality stocks still offering price to earnings ratios of around ten times and under. If P/E ratios were to return to 1972/73 levels, the Dow Jones Index could increase by between 1,250 and 1,500. In addition earnings are now rising on a broad front.

Although we remain bullish it is our duty to remind investors that the price of units and the income from them can go down as well as up, and it is best to regard an investment as a long-term holding.



Source Financial Times 27/3/76

Fixed price offer of Units
Income Units 25.9p Accumulation Units 26.2p
(or daily price if lower)

Offer will close at 5.00 p.m. on Friday, 9th April 1976

Lawson Securities Limited, 63 George Street, Edinburgh EH2 2JG. Telephone 031-226 3911. 24-Hour Ansaphone. Directors J. Nelmes Crocker, ... C.A., J. G. Dickson W.S., J. R. L. Cunningham M.A., S. C. Lawson. ... Clydesdale Bank Limited. (Member of the Midland Bank Group.) Auditors Whinney ... Chartered Accountants. Lawson American Fund is a wider range trustee security ... by the Department of Trade. A 5% initial charge is included in the offer price. ... of ¾% plus VAT is deducted from gross income. 1¼% commission is paid to ... the close of this offer units will be available weekly on Thursdays. Units can be sold ... managers for cash each Thursday. Settlement follows within a few days. Units held on ... and 30th September will qualify for the distributions made on 15th November and ... the managers may accept securities in lieu of cash under the terms of our share ... scheme. The current estimated annual gross yield is 2.3%. The Managers reserve the ... this offer at any time if the bid price moves by more than 2½% from this fixed ...

★★★ APPLICATION FORM ★★★★★★★

Lawson Securities Ltd., 63 George Street, Edinburgh, EH2 2JG. 031-226 3911 (24-Hour Ansaphone Service) (Not applicable to Eire)

... remittance payable to Lawson Securities Ltd. to be invested in units of the Lawson American Fund to the value of: £ ______ MIN £100

... Accumulation units please mark X ☐ For Share Exchange details ☐

... I declare that I am/we are not resident outside the scheduled territories and I am/we are not acquiring these units as the nominee(s) of any person(s) resident outside the territories. (Those unable to make this declaration should apply through their Banker, Stockbroker or Solicitor in the U.K.)

Signature 1 ______ Signature 2 ______
(joint applicants must sign and attach full names and addresses)

Name in full ______
(Mr. Mrs. Miss or Title)

FT 4

LAWSON AMERICAN FUND

INSURANCE, PROPERTY, BONDS

Atlantic Assurance Co.
See under Property Growth Ass.

OFFSHORE AND OVERSEAS FUNDS

NOTES

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

Five to Fifteen Years

Over Fifteen Years

Undated

INTERNATIONAL BANK

CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

LOANS (Miscel.)

FOREIGN BONDS & RAILS

U.S. $ DM Prices exclude inv. $ premium

AMERICANS

S.E. List Premium 49¼% (based on $1.8793 per £)

Conversion factor 0.6693 (0.6605)

CANADIANS

S.E. List Premium 49¼% (based on $1.8412 per £)

BANKS AND HIRE PURCHASE

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER & ROADS

BUILDING INDUSTRY—Continued

CHEMICALS, PLASTICS

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
16	4	Michael (J) 10p	5	......	—	—	—	—
74	68	Mid. Educat. 50p	74	......	3.49	2.8	7.3	7.6
58	42	Morris Blakey	55	......	3.05	1.7	10.8	8.6
190	161	Mothercare 10p	186	+2	†4.37	2.6	3.6	16.2
62	58	NSS News 10p	60	......	1.73	3.3	4.4	10.4
71	64	Owen Owen	69	−1	†2.18	5.4	4.9	5.9
31	23	Paradise (B) 10p	26	......	2.1	2.2	12.4	4.6
53	46	Peters Stores 10p	49	−2	d3.41	1.8	12.5	6.9
7	6	Polly Peck 10p	6#	......	‡0.17	—	3	—
46	40	Preedy (Alfred)	41	......	h1.18	4.0	4.4	8.7
8	6	Ramar Text. 5p	6	......	0.52	3.1	13.2	3.8
60	53	Ratners 10p	54	......	†h1.43	6.5	4.1	4.4
43½	36½	Raybeck 10p	38½	......	‡2.49	3.4	9.9	9.0

DRAPERY AND STORES—Continued

ELECTRICAL AND RADIO

ENGINEERING, MACHINE TOOLS

ENGINEERING—Continued

FOOD, GROCERIES, ETC.

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS (Miscel.)

هكذا اصم الأصل

هكذا اصل الأصل

INDUSTRIALS—Continued

[illegible]

††INSURANCE

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING, ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPBUILDERS, REPAIRERS

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

TRUSTS—Continued

[illegible]

Finance, Land, etc.

[illegible]

OILS

[illegible]

OVERSEAS TRADERS

[illegible]

RUBBERS AND SISALS

[illegible]

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
192	155	Guthrie £1	182	−2	‡h11.0	0.8	‡
49	35	♠Highlands M50c	44½	......	‡1.45	1.1	‡
48	35½	Kuala Kepong M$1	39½	+1	†Q10c	1.2	4.4
34	22½	♠Kulim 50c	27½	......	†1.36	1.6	7.6
53	40½	Ldn. Asiatic 10p	52	......	†2.1	4.1	6.2
33½	30	Ldn. Sum'tra 10p	33	......	1.1	1.6	5.1
90	31	♠Malakoff M$1	33	......	Q4.0	ϕ	12.1
7½	6	Malayalam 10p	7½	......	20.7	ϕ	14.4
52	42	Muar River 10p	50	......	1.41	1.7	4.3
52½	39	Padang 10p	52½xd	......	2.23	ϕ	6.5
38	29½	Plantat'n Hgs. 10p	33	+½	1.63	2.1	7.6
£10½	900	Sungei Krian £1	£10	......	32.31	ϕ	5.0

TEAS

India and Bangladesh

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
114	90	Assam Dooars £1	112	......	7.74	5.6	10.6
116	90	Assam Front'r £1	116	......	7.15	4.2	9.5
50	46	Assam Invs. £1	50	......	t3.3	5.3	10.8
100	95	British Indian £1	100	......	5.0	ϕ	8.1
270	85	Cessnock £1	65		—	♦—	—
360	85	Cons Tea & Land £1	85xd	......	♦4.87	b4.3	8.8
5½	4	Empire Plant 10p	4	−¼	0.65	4.1	25.0
125	113	Jokai £1	125	......	7.15	4.6	8.8
78	65	Longbourne £1	78	......	3.5	6.5	6.9
140	125	McLeod Russ'l £1	125	......	5.87	b3.1	7.2
103	100	Moran £1	100	......	5.76	6.1	8.9
7½	6	Single Hldgs. 10p	6½	......	0.78	2.1	18.5
420	100	Teith Hldgs. £1	105xd	......	♦2.03	b8.4	3.0
85	74	Warren Tea £1	84	......	g6.49	1.6	11.8
420	100	West Nile Hlds £1	105xd	......	♦3.36	b4.1	4.9
80	66	Williamson £1	80	......	4.5	5.6	8.7

Sri Lanka

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
8	7½	Central Prov.	8	......	0.87	2.2	17.8
52	28	Clairmace 10p	36xd	−2	6.0	ϕ	25.6
54	44	Lanuva £1	51	......	2.95	0.7	9.5
6	4	Tea Corporation	5	......	0.55	5.4	16.8

Africa

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
48	33	Bandanga Hldg.	33	......	g3.17	2.4	15.5
190	170	Blantyre £1	175	......	15.27	2.8	13.4
38	28	Peacock Sus. 10p	38	......	t2.74	2.9	11.1
46	38	Ruo Estates	40	......	3.95	2.8	15.1

MINES

CENTRAL RAND

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
400	300	Durban Deep R1	345	−5	Q20c	5.5	3.4
510	240	E. Rand Prp. R1	250	+10	Q35c	5.1	8.3
23	10	Rand Leases 2½c	12	......	—	—	—
£18	950	Randf'n Est. R2	950	−50	—	—	—
150	75	West Rand R1	97	−3	Q10c	2.2	6.1

EASTERN RAND

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
200	150	Bracken R1	150	−14	‡Q52c	1.0	‡
9	6	Daggafontein 50c	6	−1	—	—	—
34	14	East Dag R1	14	−1	—	—	—
140ϕ	5	Grnt. Areas 5c	140ϕ	......	—	—	—
129	73	Grootvlei 25c	73	......	Q20c	1.5	16.2
530	270	Kinross R1	270	−20	‡Q54c	1.4	‡
67	44	Leslie 70c	44	−2	‡Q18c	1.4	‡
230	100	Marievale 25c	103	−5	Q42c	1.4	24.1
215	76	S. African Ld. 35c	115	−10	Q30c	2.0	15.5
195	42	Vlakfontein 30c	42	−6	Q20c	1.2	28.2
855	520	Winkelhaak R1	520	−20	‡Q108c	1.1	‡
40	23	Wit. Nigel 25c	23	......	—	—	—

MINES—Continued

FAR WEST RAND

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
710	360	Blyvoor 25c	360	−25	‡Q180c	1.3	‡
£14	790	Buffels R1	790	−70	Q180c	1.4	13.5
198	95	Deelkraal R0.20	95	−5	—	—	—
760	330	Doornfontein R1	330	−40	‡Q110c	1.4	‡
965	645	East Drie R1	650	−40	Q75c	1.7	6.8
280	160	Elandsr'd Gld Mng 20c	165	−5	—	—	
190	115	Elsburg R1	115	−5	Q33.8c	1.0	17.0
£16½	£11¼	Hartebeest R1	£11¼	−¾	Q215c	1.4	11.3
695	440	Kloof Gold R1	440	−5	Q55c	1.4	7.4
760	400	Libanon R1	400	−25	‡Q118c	1.9	‡
740	335	Southvaal 50c	370	−20	Q8c	1.3	1.3
245	140	Stilfontein 50c	140	−10	Q36c	2.2	11.0
£20½	£10¾	Vaal Reefs 50c	£13¼	−1	Q175c	2.1	7.8
420	195	Venterspost R1	195	−10	‡Q70c	1.9	‡
£35	£19¾	W. Drie R1	£19¾	−¾	‡Q485c	1.2	‡
315	165	W'st'rn Areas R1	165	−5	Q52c	1.4	18.1
£15¼	820	Western Deep R2	820	−50	Q147½c	1.6	10.7
290	190	Zandpan R1	205	−10	Q35½c	1.0	10.3

O.F.S.

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
170	75	Fr. State Dev. 50c	95	−5	Q14c	1.6	8.7
£22½	£12½	F.S. Geduld 50c	£12½xd	−1¼	‡Q330c	1.3	‡
120	60	F.S. Saaiplaas R1	60	......	Z6c	0	5.9
465	295	Harmony 50c	295xd	−10	Q65c	ϕ	13.1
195	70	Loraine R1	70	−6	Q6c	0.5	5.1
£18½	950	Pres. Brand 50c	950	−100	‡Q250c	1.3	‡
£13	700	Pres. Steyn 50c	700xd	−50	‡Q125c	2.2	‡
£23	£13	St. Helena R1	£13	−1½	‡Q250c	1.2	‡
174	90	Unisel	90	−10	—	—	—
330	220	Welkom 50c	220xd	−5	‡Q55c	1.7	‡
£25½	£14¼	W. Holdings 50c	£14¾xd	−1¼	‡Q475c	1.2	‡

FINANCE

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
400	244	Ang. Am. Coal 50c	244	−6	MQ38c	2.8	9.2
375	235	Ang. Amer. 10c	245xd	−5	Q33c	ϕ	8.0
£28¾	£18	Ang. Am. Gold R1	£18	−¼	Q260c	ϕ	8.6
£12¾	850	Ang-Vaal 50c	900	−50	†Q95c	3.7	6.3
199	118	Charter Cons.	118	−5	6.21	2.2	8.1
220	146	Cons. Gold Fields	154	−1	g7.37	4.3	7.5
23½	15	E. Rand Con. 10p	16½xd	−½	1.0	ϕ	9.3
330	185	Geduld Inv. R1	220	......	Q40c	1.5	10.8
£25	£15½	Gen. Mining R2	£15¾xd	−½	Q210c	ϕ	7.9
£22½	£14¾	G. Fields S.A. 25c	£16	−1	Q225c	1.3	8.3
£24	£11½	Jo'burg Cons. R2	£14	−¼	Q165c	2.5	7.0
345	200	Middle Wit 25c	240	−15	†Q28c	2.0	6.9
240	168	Minorco SBD1.40	180	−2	‡Q14c	—	‡
160	85	New Wit 50c	95	......	Q20c	1.6	12.5
£11¼	770	Patino NV Fls.5	£11¾	+⅛	QC40c	10.5	1.1
810	480	Rand Selection 50c	500	−20	Q75c	1.5	8.9
555	460	Selection Trust	465	−5	14.0	2.0	4.6
230	135	Sentrust 10c	142	−8	Q30c	1.2	12.5
62	45	Silvermines 2½p	52	−2	‡a4.0	1.6	‡
130	95	SW Africa 20p	125	......	†17.87	2.0	23.8
£12½	700	T'vaal. Cons. Ld. R1	800	−25	Q65c	2.0	4.8
310	170	U.C. Invest R1	190	−10	Q36c	1.0	11.2
465	245	Union Crp. 6.25c	270xd	−5	Q42c	2.4	9.2
82	45	Vogels 2½c	53	......	Q6½c	1.2	7.3

DIAMOND AND PLATINUM

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£32½	£17½	Anglo-Am. Inv. 50c	£19¾	−¼	Q244c	ϕ	7.6
105	68	Bishopsgate Plt. 10c	73	−5	tQ4.5c	ϕ	3.4
335	198	De Beers Df. 5c	202xd	−4	Q28c	ϕ	8.3
£14	850	Do. 40pc Pf. R5	£10	......	Q200c	ϕ	11.8
117	69	Lydenburg 12½c	76	−6	†Q2.9c	1.5	2.4
188	108	Pot. Plat. 2½c	126	−6	†Q5c	1.0	2.4
148	90	Union Plat. 10c	98	−1	†Q4.9c	1.0	3.1
148	88	Waterval 5c	100	−2	†Q5.2c	1.0	3.0

CENTRAL AFRICAN

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
165	70	Coronation 25c	70	......	Q34c	2.1	29.2
127	85	Falcon Rh. 50c	85xd	......	tQ35c	1.3	—
42	25	Globe Phnix 12½p	25	......	1.25	0.2	7.7
19	11	Rho-Corp. 16⅔p	11	......	0.56	6.0	7.8
170	140	Roan Cons. K4	140	......	‡Q16.0	4.7	‡
175	142	Tanganyika 50p	143	−7	‡Q26	1.2	‡
68	65	Do. Pref. 80p	65	......	Q9	18.0	11.6
48	25	Wankie Col. Rh.1	28	......	†Q6½c	1.3	10.0
46	24	Zam. Cpr. SBD0.24	26	−1	Q1.90	3.2	7.3

AUSTRALIAN

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
26	18	Acmex 25c	26	......	—	—	—
173	132	A. M. and S. 50c	168	......	Q7c	ϕ	2.7
125	96	Bougainville 50c	117	+4	Q10c	ϕ	5.6
196	150	BH South 50c	160	......	—	—	—
75	40	Gold M. Kalg. 51	43	......	—	—	—
76	58	Hampton Areas 5p	63	−3	1.78	4.2	2.9
54	38	Metals Ex. 50c	44	......	—	—	—
20	14	Metramar 20c	18	......	—	—	—
255	200	M.I.M. Hldgs. 50c	242	......	‡Q10c	1.8	‡
100	75	M. Lyell 25c	75	......	‡Q5c	2.4	‡
2½	2	Newmetal 10c	2	......	—	—	—
169	138	North B. Hill $1	161	......	Q9c	1.4	3.6
9	5	North Kalg. 30c	5	......	—	—	—
74	65	Oakbridge SA1	72	−1	tQ8c	1.3	7.3
18	14	Pacific Copr. 25c	18	......	—	—	—
£19	900	Pancont'l 25c	900	−125	—	—	—
15	9	Paringa M&Ex. 5p	11	−3	—	—	—
555	420	Peko-Walls'd 50c	530	......	Q15c	ϕ	1.8
190	140	Poseidon 20c	150	......	—	—	—
13	9	Vulcan Min. 50c	10	......	—	—	—
9	4	Westmex 10c	7	......	—	—	—
172	134	W. Mining 50c	165	......	‡Q8c	0.8	‡
54	36	Whim Creek 20c	40	......	—	—	—

TINS

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
45	33	Amal. Nigeria	33	......	5.62	1.6	26.2
228	160	Ayer Hitam	228	......	†13.0	1.8	8.8
27	17	Beralt Tin	24	......	21.75	—	11.2
350	315	Berjuntai SM25	350	......	‡Q5M2	ϕ	‡
16	13	Ex Lands 10p	13	......	15	3.8	17.8
190	155	Geevor	187	......	‡12	2.3	‡
12	10	Gold & Base 12½p	10	......	—	—	—
210	170	Gopeng Cons.	210	......	11.0	1.3	8.1
67	64	Hongkong	67	......	—	—	—
70	56	Idris 10p	65	......	6.7	2.2	15.9
7	6	Jantar 12½p	6	......	—	—	—
37	31	Kamunting 15p	32	......	‡7.0	1.2	‡
195	135	Killinghall	195	......	Q50.0	ϕ	25.6
170	147	London Tin 10p	163	......	ϕ7.0	1.5	6.6
212	168	Malay Dredging	205	−3	10.7	2.0	8.0
38	20	♠Pahang	25	......	Qh2.6	ϕ	16.0
55	40	Pengkalen 10p	50	......	7.0	1.5	21.5
112	104	Petaling SM1	107	......	—	—	—
36	19	Saint Piran	32	......	—	—	—
100	75	South Kinta (10p)	75	......	‡9.5	1.5	‡
160	105	Sthn. Malayan	160	......	10.7	0.9	10.3
37	31	Sungei Besi 20p	37	......	‡6.0	3.8	‡
32	29	Sungei Way $M1	32	......	ZQ10	—	5.5
48	40	Tanjong 15p	45	......	4.0	ϕ	13.7
52	40	Tongkah Hb $M1	40	......	Q23%	0.6	11.2
90	58	Tronoh	90	......	4.29	ϕ	7.3

COPPER

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
70	42	Botswana RST P2	45	......	—	—	—
335	170	Messina R0.50	180	−10	Q35c	1.9	11.5

MISCELLANEOUS

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
10	8	Burma Mine 17½p	9	......	m0.5	—	1.5
39½	24	Charterhall 5p	25	−½	—	—	—
980	580	Cons. Murch. 10c	660	−30	Q80c	1.8	7.2
40	28	Lamasia	33	−1	—	—	—
455	245	Northgate C$1	395	−5	tQ25c	1.0	3.3
209	178	R.T.Z.	194	−1	g5.51	4.4	4.4
112	87	Sabina Inds. C$1	93	−2	—	—	—
£11⅞	£10	Tara Explo. $1	£11⅛	+⅛	—	—	—
122	88	Yukon Cons. C$1	103	......	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- ♠ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Banks and Insurance: reserve allocations may preclude calculation of dividend cover.
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- •• Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- § Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Based on 1973 profits.
- § Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ▼ Excluding a final dividend declaration.
- ✣ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. H Figures based on prospectus or other official estimates for 1976-77. M Figures based on prospectus or other official estimates for 1976. N Dividend and yield based on prospectus or other official estimates for 1976. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

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FINANCIAL TIMES
Saturday April 3 1976

MAN OF THE WEEK

The top brass at Leyland

BY ROY ROGERS

GEORGE, aged 55, is typical of the toolmakers involved in this week's Leyland strikes. He *lives in a working class area* of Birmingham and spent seven years training to become a skilled toolmaker.

As a result of these seven years of what he calls "cheap labour," George is now on a basic rate of £66.30 a week which, he says, gives him a take home pay of around £40 once tax, insurance and pension deductions are made.

He feels "bitter" that labourers can apply to join the skilled section, and earn skilled wages, within a year of joining the company.

George forecasts that this practice will result in toolmakers gradually losing their "vocational" approach to the job. The old school, he says, nurse their machines and try to anticipate breakdowns rather than wait for failures to occur, but not so the newer men claiming skilled status.

George and his fellow toolmakers would probably baulk at being termed workers. They, and according to several telephone calls received by the Financial Times this week their wives, consider themselves the "cream" of the engineering industry and "highly skilled technicians" as opposed to workers.

They are of course substantially correct although other skilled grades such as patternmakers and sheet metal workers would probably make similar claims. They are among the most skilled and highly trained craftsmen in the industry and see themselves as an elite group *—especially where unskilled or* semi-skilled production workers are concerned.

This division is all the greater because toolroom men are mainly Amalgamated Union of Engineering Workers members while production grades tend to be in the Transport and General Workers' Union.

Having served a five to seven year apprenticeship the toolmaker feels himself superior to the production worker, and jealously guards his pay differentials which he feels he deserves by virtue of his long, low-paid *period of training.*

He resents deeply any erosion of those differentials either by the TGWU's insistence on flat rate pay increases at plant level or by the effects of the Government's present flat rate pay *policy. He is also far from happy* about the growing trend for production workers to be given the opportunity of promotion to skilled status and the consequent dilution of toolroom skills.

The true toolmaker often works in a separate part of the plant from other grades, making jigs and tools from scratch guided by engineering drawings. Other duties include the setting, sharpening and maintenance of sophisticated machine tools, *many of which, certainly in some* Leyland plants, are ancient and in need of frequent attention.

By comparison the production grades, even in the more skilled categories, are engaged largely in assembly of ready made components.

Despite their elitism and jealous regard for their differentials toolmakers have been slipping down the pay ladder and in some plants, British Leyland at Cowley for instance, *their differentials over top* production workers have disappeared altogether.

This is because of the hard line taken by the TGWU which has used its numerical strength at Cowley to enforce the policy of production workers being "second to none." This policy is based on the principle that *the production workers have to* cope with repetitive work, geared to assembly line speeds, and that whenever there are hold ups or industrial disputes they are always the first to be laid off.

Elsewhere toolroom differentials have been eroded by successive flat rate pay increases but *not to such an extent.* At Rover's, Solihull plant, for instance, the scene of one of this week's disputes, toolmen receive more than production workers. At Ford, where skilled men are threatening strike action over differentials, toolmen on alternating day and night shift receive £7.25 a week above the *£61.60 main production rate.*

Although most of British Leyland's immediate problems *over toolmakers' differentials are* subsiding, the underlying problems have still to be resolved *and this* would require a more flexible pay policy.

MPs say spending cuts pledge not kept

BY ANTHONY HARRIS

IN A SHARPLY critical review of the Government's White Paper on public expenditure, the all-party House of Commons Expenditure Committee says that the economic projections in the paper appear to hope for "a near *economic miracle," and that the* plans for cutting expenditure in future years create a growing credibility gap.

For five years in succession the Treasury had presented the same profile—expenditure growing in the first year or two of the programme, and then declining; in the event, the *growth had occurred but the cuts* had not.

"The concern expressed in the debate on the White Paper about the continual appearance of this kind of profile and its non-fulfilment seems to us to show that the risk of the credibility gap is growing," the committee concludes.

It questions the adequacy and usefulness of the resources table presented as economic background to the White Paper. While *recognising that this is not* intended as a forecast, the committee calls for greater detail about the underlying assumptions so that the public and Parliament could "form a view about the internal consistency of the table and its credibility."

It points out that the "central" projection of growth simply illustrated what would be required, on a Treasury view, to achieve full employment and external balance by 1979.

Inadequate

"We wish to point out that the achievement of (these) *objectives presupposes* a substantial improvement in the performance of the economy—indeed, by U.K. standards, almost an economic miracle," the report observes.

It adds that when this view was put to Mr. Joel Barnett, the Chief Secretary of the Treasury, he replied: "If you base your view upon the past, you are giving up all hope. In the last 30 years, the British economy has performed very badly."

The report says the delay in publishing the White Paper until February left inadequate time for proper consideration by the committee or by Parliament, and *sharply criticises the omission* of many details—and the continued failure to provide projections of revenue to compare with expenditure forecasts. The social and economic impact of changes in programmes should be spelled out.

Future reports should also list the cost and effect of revenue concessions which have a similar effect to expenditure—for example, tax reliefs in relation to *housing, children or investment.*

"The changes we propose will help public understanding of the options open to Government in reaching their decisions on public expenditure and taxation," the report adds.

"It is only with such public understanding that the necessary support for any Government's policy can be obtained." By contrast, the present White Paper represented "a reversal of the trend of recent years towards *more openness.*"

Leyland pay-out for Barber

Financial Times Reporter

THE AMOUNT of compensation to be paid to Mr. John Barber, who was No. 2 to Lord Stokes in British Leyland until the reorganisation of the company last year, has now been agreed.

According to a *statement* issued yesterday, "British Leyland has admitted a breach of Mr. John Barber's service agreement and under a settlement arrived at in an arbitration between them British *Leyland is providing substantial compensation.*"

The amount has not been disclosed, but it will presumably be revealed when the 1976 report and accounts for British Leyland Motor Corporation are *published.*

Mr. Barber, who is 56, joined British Leyland in 1968 as finance director and became deputy chairman and managing director in 1973. In April last year, after the Government's *acceptance of the Ryder* Report, he was told that there would not be a place for him in the new State-controlled company.

In August he was dismissed and he then sued the company *for wrongful dismissal:* the claim has now been settled by arbitration.

Mr. Barber had a service agreement with British Leyland as deputy chairman and managing director running until April 22, 1984, at a remuneration of £42,000 per annum.

Jenkins considering offer of presidency of EEC Commission

BY JOHN HUNT

APPROACHES HAVE been made to Mr. Roy Jenkins, Home Secretary, offering him the presi*dency of the EEC Commission in* Brussels, should he decide to quit Parliament following his disappointing showing in the contest for the premiership and Labour leadership.

The choice of a new president, *who takes office next January,* has to be agreed by all member countries and was discussed at the Luxembourg summit yesterday, but it is generally accepted that it is Britain's turn to fill the post.

Mr. Jenkins, who withdrew from the leadership race after scoring 56 votes in the first ballot, is seriously considering the *EEC offer.* He thus becomes the key figure in any Cabinet reshuffle planned by Mr. James Callaghan when, as confidently expected, the latter becomes the new Prime Minister on Monday.

The EEC post, which is for *two years, has strong attractions* for Mr. Jenkins, who played a leading pro-European role in the Common Market Referendum in Britain. Only last week he was in Paris where he had a meeting with President Giscard d'Estaing, *whose approval is essential in* the choice of the next Commission president.

Against it, though, is the fact that he would have to leave the British parliamentary scene at the age of 55, when he still has ample opportunity to improve his *political fortunes in the years* ahead.

If Mr. Jenkins accepts the post there, will have to be a by-election at Birmingham Stechford, where he had a majority of about 12,000.

His departure would dismay Centre and Right-wing Labour MPs, many of whom still look *on him as their natural leader.* At a time when Mr. Michael Foot, the Employment Secretary, has gained such ascendancy, they see Mr. Jenkins's presence at the Commons as more essential than ever.

Some of his colleagues at Westminster maintain he has no intention of leaving for Europe and is as eager as ever to pursue his parliamentary career.

The choice of candidate would be finalised on an unofficial basis *by about September and* announced at a later date.

The departure of Mr. Jenkins to Brussels would certainly solve the problem of finding a suitable position for him in any reshuffle by the new Prime Minister.

It is known that Mr. Jenkins would not be sorry to leave the Home Office and would find the Foreign Office a suitable alternative.

Next wages policy should be less rigid, says union leader

BY ROY ROGERS, LABOUR CORRESPONDENT

FURTHER SUPPORT for a more flexible pay policy to replace the rigid £6-a-week limit, due to expire at the end of July, came yesterday from the leader of Britain's third largest trade union.

Mr. David Basnett, general secretary of the General and Municipal Workers Union, spoke of the need for some flexibility in the next round in a statement emphasising that there could be *no pay policy agreement before* next week's Budget.

Immediately after the Budget, which he saw as a "crucial element in *defining the area of* negotiation," the Government and the TUC would begin discussions on the next stage of policy. Any proposals would, however, have to be thoroughly discussed on the TUC general council and be subject to a special TUC conference before final endorsement.

The *GMWU,* said Mr. Basnett, had always considered that a flat-rate increase was most equitable provided tax adjustments could be made to help the lower paid. "But we do recognise the problems this causes to wage *structures and the need for some* flexibility in the next round. Above all we need to find a formula which unites the trade union movement."

The need for flexibility to enable companies to continue *with long-term restructuring pro*grammes has already been spotlighted by Mr. Harry Urwin, deputy general secretary of the Transport and General Workers Union, and this is seen as a mellowing of the union's previous support for an extension of a flat rate policy.

Mr. Jack Jones, TGWU general secretary, is due to make a major pay policy speech when he opens a new *Midlands* TGWU office building to-day.

This week's widespread disruption throughout British Leyland plants centred largely on the company's inability to proceed with already agreed restructuring proposals, because they were in breach of the present rigid pay policy.

It is clear that Mr. Urwin, from his position as a member of the National Enterprise Board, anticipated many of Leyland's problems when he made his "*flexibility*" call two weeks ago.

NHS staff costs to be halted

Financial Times Reporter

THE GOVERNMENT proposed to operate a standstill on the costs of administrative staff in the National Health Service from the beginning of April, Dr. David Owen, Minister of State *for Health, said last night.*

A standstill on other administrative costs would be brought in as soon as possible, he told the Association of Health Service Treasurers, at Reading.

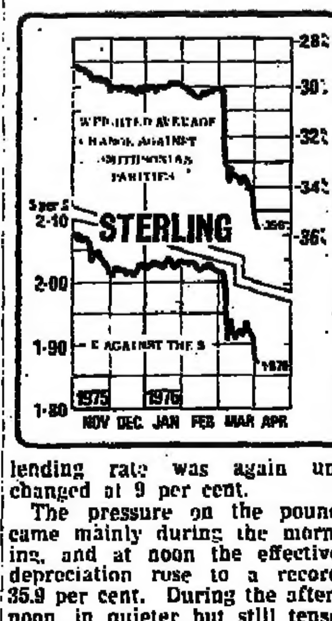
The growth in administrative staff in the Health Service was a cause for "concern."

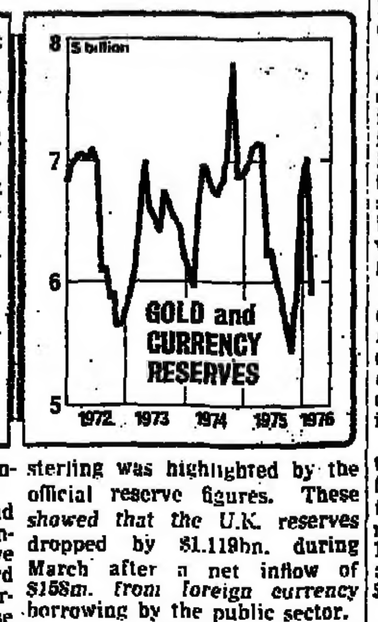
Administrative and clerical staff *in hospitals had risen by* 146 per cent. between 1949 and 1974. Staff in regional headquarters increased about five times, but only about "60 per cent of such staff were strictly administrative and clerical."

Hospital doctors over the period rose 131 per cent., and nurses within the NHS by 106 *per cent. Total Health Service* manpower was raised by 75 per cent., and the manpower total in the hospital service by 86 per cent.

Continued from Page 1

Pound falls again





lending rate was again unchanged at 9 per cent.

The pressure on the pound came mainly during the morning, and at noon the effective depreciation rose to a record 35.9 per cent. During the afternoon, in quieter but still tense conditions the pound picked up *a little,* while the *dollar also* showed a recovery against other major currencies

The cost of intervention during last month's sharp fall in sterling was highlighted by the official reserve figures. These *showed that the U.K. reserves* dropped by $1.119bn. during March after a net inflow of *$158m. from foreign currency* borrowing by the public sector.

The fall which has in effect used *up most of the U.K.'s* $1.17bn drawing from the International Monetary Fund, left the reserves at $5.9bn. at the end of last month.

IMF will be able to halt gold sales

BY DAVID BELL

WASHINGTON, April 2.

*THE INTERNATIONAL Mone*tary Fund is likely to reserve the right to cancel any of its planned gold auctions if it feels that bids are not high enough.

Final details of the fund's proposals to auction some 25m. ounces of gold to finance a new trust fund for developing nations have not yet been agreed. *But it is understood that the* fund is on the verge of approving eight auctions a year for the next two years, with the clear proviso that the managing director would be able to advise the fund's directors to call off *any auction if he felt it necessary.*

There is some apprehension *among a number of members of* the fund lest the proposed auctions drive down the gold price and prevent the fund from realising the maximum benefit from its own auctions. Other members, including apparently the United *States, are less concerned about* this prospect.

Dr. Johannes Witteveen, the managing director, is believed to be in favour of keeping secret the names of bidders for the gold. This may be discussed further during Dr. Witteveen's visit to Europe, which begins early next week.

Meanwhile, there is apparently still some disagreement among the fund's directors about the role that the Bank for International Settlements and the central banks should play in the auctions.

Option

While some countries believe the BIS should make a written commitment to the fund not to resell any gold to any central bank for a definite period of time, other directors feel this is not necessary and that any understanding between the BIS and the fund should be informal.

There is also the question of those developing countries who want the option to receive gold rather than the profit from the gold sales which corresponds to their share of the 25m. ounces.

Dr. Witteveen is understood to be opposed to this type of direct transfer of gold and to have proposed that these countries should wait until after the amendment of the fund's articles of agreement. At that time, they will have the right to buy gold at any price.

They could thus achieve their aim either by buying on the open market or taking part in one of *the auctions. In the latter case,* the managing director is understood to feel that, in order to avoid sudden changes in the gold price, such countries might submit a non-competitive bid for an amount of gold determined by *their share of the 25m. ounces.*

A member making a non-competitive bid of this kind would pay foreign exchange for the gold bought and the new trust fund would return whatever profit there was on the sale.

Marathon in $260m. Pan Ocean bid

By Stewart Fleming

NEW YORK, April 2.

PAN OCEAN Oil Corporation, the U.S. group which heads the operating committee developing the Brae field, one of Britain's biggest oil discoveries, has received a $260m. (£139m.) takeover offer from the U.S. Marathon Oil Corporation.

Pan Ocean has a 32 per cent. stake in Brae in the North Sea *and is now a partner with the* British National Oil Corporation, which has taken over the National Coal Board's 20 per cent. interest in Brae.

Marathon was unwilling to enlarge on the reasons behind its offer for Pan Ocean beyond saying that the company is an "ideal fit" to its existing operation. Marathon has already acquired from three Pan Ocean directors shares and control the loan notes in the company which on conversion of the loan notes could give it a 36.5 per cent. stake.

It is offering to acquire the outstanding stock at $18 a share. Although the Board is not recommending shareholders to *accept the offer, the remaining* directors have indicated their intention to exchange their stock.

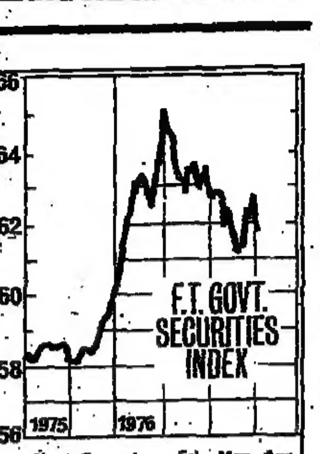
The proposed merger is likely to be helpful to Pan Ocean in financing its share of the Brae field. It is estimated that, on recent tests, the field has at least 1bn. barrels of recoverable oil and that it could cost around *$2bn. to develop the field.*

Pan Ocean's share of this cost could be as much as $600m. It *is thought to have been seeking* a partner to help in the financing and has talked to a number of major oil companies, including Amoco and Chevron.

THE LEX COLUMN

Bowater's U.S. muscle

Index fell 2.3 to 396.5



The more sterling falls the smaller the chances of further reductions in inflationary expectations and interest rates. Nothing the Chancellor does on Tuesday can alter the fact that the Government will need to sell substantial quantities of gilts in the near future. The increasing worry for the market is how this can be achieved on the basis of the current yield structure. As a result of this week's developments the new short tap *threatens to remain as* dormant as the long tap has been for many weeks now. For *the moment the authorities will* continue to wait in the hope that a brighter news background—on the wages front, for instance—will turn sentiment back in their favour, given that institutional cash flows are still very strong. The question is how long they can afford to wait.

Bowater

Bowater's profits are in line with expectations at £52.9m. *pre-tax; but their make-up con*firms that the U.S. is now in a very firm uptrend, and for 1976 *the group could emerge with* something like £65m., against a previous peak of £59½m. in 1974. At this stage in the cycle any projection for Bowater—with its huge operational and financial gearing—must naturally be tentative. And with the shares up an eighth to 197p this year the group may well surprise everybody.

Out of profits of £58m. before interest and expenses, North America has made £53.1m., against £41.4m. Capacity utilisation in the U.S.—where Bowater *has an eighth of the newsprint* market—is running at over 90 per cent. and prices are rising: over the 18 months from the first half of 1974 they have probably risen $100 a ton to $270. Newsprint prices are rising in the U.K. too, and Bowater has hopes of making inroads into the several millions it lost on paper and board last year. These were instrumental in cutting U.K. profits from £14.2m. to £4.5m. which decline produced £3.8m. of unrelieved ACT. The chances of reducing that charge this year heightens the financial gearing.

The group has made further financial sorties below the line with £8m. written off goodwill—against net worth—and £4.9m. of reorganisation costs. But Bowater is gradually sorting out its Ralli interests, and there is plenty of scope for loss elimination in Europe. The shares are *a currency hedge, and the yield* is a solid 5.7 per cent. And the p/e may fall below double figures this year.

ICI

ICI will require an extra £200m. of working capital in 1976 on top of last year's net total of £812m. — a clear indicator of the extent of the recovery expected this year after the 7 per cent. drop in volume and almost unchanged turnover of 1975. The message from yesterday's annual meeting is that the "marked" improve*ment in sales seen in the last* quarter of 1975 has continued. Turnover outside the U.K., *including exports, is running at* "distinctly" higher levels than 12 months ago, with an upturn *coming through in North* America and on the Continent. But the chairman warned that the increase in chemical production in the U.K. is likely to be "very much lower" than the 11 per cent. rise forecast for world output as a whole.

Overall, there is no need to revise market estimates of around £450m. pre-tax for the year, against £327m. If this is achieved cash flow should go nearly three-quarters of the way towards covering likely fixed and working capital spending of more than £600m., compared with £448m. In addition, the Ninian field will require an extra £80m. which will be financed off the balance sheet. So there should be no debt headaches for a group which started the year with £200m. of liquid resources and no obvious *need* for a rights issue thi… 388p, the shares have *firm against the mar…* month since the rep…

British Printing

For the second ye… British Printing has … "exceptional" provis… Sun Printers, which … with trading losses to £1.3m. out of group … the second half of the same period also ha… costs of a few hundre… pounds against an u… partwork, plus the deepening recession … ing and publishing … So after a stable first … for 1975 are down f… to £3.1m. before ta… current six months going to be lean. S… are few signs of a … *U.K. activity, and th…* isation at Sun will have an impact un… 1976.

However the div… been maintained, … *times, and a fall in U.…* capital needs plus t… of part of the Japane… *has enabled the grou…* a big expansion ov… reduce its net overdr… *£2m. There is at lea…* of a substantial reco… profits later this … meanwhile the over… which accounted f… half 1975's profits—i… well. With a yield … cent., the shares ou… able to hold their … yesterday's 3½p fall t… a market capital… £14½m.

FNFC

You *could hard…* bleaker document … annual report of Fi… Finance Corporation … man comments tha… pects for re-establ… shareholders' capi… there is currently a … ciency—are uncertai… at the need for … provisions, especially … of interest. The life … only received a sm… the first month's inte… the optimistically Income Loans. An… tors, concerned that … support lending last … was nominally re… seven days' notice, … to say whether th… give a true and fair …

Weather

U.K. TO-DAY

CLOUDY, rain at times. Brighter in the South.

London, E., S.E. and Cent. England, E. Anglia, E. Midlands, Channel Isles

Mainly dry, bright spells. Wind S.W., moderate. Max. 9C (48F).

W. Midlands, S.W., N.W. and N.E. England, S. Wales.

Cloudy, rain or drizzle. Wind S.W., moderate or fresh. Rather cold. Max. 9C (48F).

N. Wales, Lakes, Isle of Man, Borders, Edinburgh, Dundee, Aberdeen, S.W. Scotland

Cloudy, rain at times. Snow on hills. Wind S., fresh or strong. Max. 8C (46F).

Outlook: Showers, sunny *spells.*

Lighting-up: London 20.06, Manchester 20.17, Glasgow 20.29, *Belfast* 20.34.

BUSINESS CENTRES

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Alexandria	F	22	72	Madrid	S	19	66
Amsterdm.	F	10	50	Manchstr.	C	5	41
Athens	C	12	54	Melbourne	C	19	66
Barcelona	F	16	61	Mexico C.	S	21	70
Beirut	F	19	66	Milan	S	20	68
Belfast	F	7	45	Montreal	S	5	41
Belgrade	S	21	70	Moscow	S	4	39
Berlin	S	21	70	Munich	S	21	70
Birmghm.	R	9	48	Newcastle	R	4	39
Bristol	C	7	45	New York	C	10	50
Brussels	C	12	54	Oslo	F	7	45
Budapest	S	20	68	Paris	C	11	52
B. Aires	S	15	59	Perth	F	23	73
Cairo	S	24	75	Prague	S	21	70
Cardiff	C	7	45	Reykjavik	R	2	36
Cologne	F	16	61	Rio de J'o	S	29	84
Copenhgn.	C	5	41	Rome	S	14	57
Dublin	F	7	45	Singapore	C	31	88
Edinbrgh.	Sn	1	34	Stockholm	C	6	43
Frankfurt	S	20	68	Strasbourg	S	22	72
Geneva	S	18	64	Sydney	F	25	77
Glasgow	C	5	41	Tehran	S	18	64
Helsinki	S	5	41	Tel Aviv	S	19	66
Hong Kong	S	19	66	Tokyo	C	14	57
Jo'burgh	R	17	63	Toronto	S	6	43
Lisbon	C	14	57	Vienna	S	22	72
London	R	12	54	Warsaw	S	19	66
Luxemb'g	F	16	61	Zurich	S	20	68

HOLIDAY RESORTS

Ajaccio	S	16	61	Jersey	C	10	50
Biarritz	C	14	57	Las Plms.	F	22	72
Blackpool	C	5	41	Locarno	F	18	64
Bordeaux	C	11	52	Majorca	S	19	66
Boulogne	F	9	48	Malaga	F	16	61
Casablnca.	C	20	68	Malta	F	16	61
Cape Town	S	21	70	Nairobi	C	21	70
Corfu	S	20	68	Naples	S	15	59
Dubrovnik	S	18	64	Nice	S	15	59
Faro	C	16	61	Nicosia	S	18	64
Florence	S	17	63	Oporto	C	13	55
Funchal	F	16	61	Rhodes	C	13	55
Gibraltar	F	17	63	Salzburg	S	22	72
Guernsey	R	8	46	Tangier	C	18	64
Innsbruck	S	20	68	Tenerife	C	13	55
Inverness	C	5	41	Tunis	S	19	66
Isle of Man	C	4	39	Valencia	C	17	63
Istanbul	C	8	46	Venice	S	19	66

S—Sunny. F—Fair. C—Cloudy. R—Rain. Sn—Snow.

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هكذا صدر الأصل